

H. H. Munro
General Manager

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O.K.
SAUCE.

TO-DAY'S WEATHER FORECAST—North-East Winds, Fresh; Cloudy.

Hongkong Daily Press.

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CHINA MORE UNITED THAN EVER BEFORE ECONOMICALLY STRENGTH IS PRACTICALLY INTACT

Frankfurt, Jan. 3. "Hope and anxiety in China" is the heading given by the "Frankfurter Zeitung" to-day to a telegraphic report from Hankow stressing that at the opening of a new year the Chinese Government and nation are still looking forward confidently to the future.

The report observes that although the military situation is lacking in clarity yet the immensity of space in which war is being waged in the Far East must be borne in mind.

Moreover from an economic viewpoint China's strength is still practically intact for her foreign trade represents only a fraction of her national revenue and has never been a vital element in the national life of China. Chinese deposits abroad guarantee the purchase of war material for a long time to come.

The report goes on to emphasise that China is internally stronger and more united than ever before and that all rumours concerning the alleged weakening of Generalissimo Chiang Kai-shek's position are untrue. On the contrary, a number of new men who enjoy the Generalissimo's confidence have been promoted to responsible posts in the course of last month.

The report concludes by pointing out that the Communist Party has abandoned its opposition to the Government and that seen from inside, China presents to-day the spectacle of a politically united country.—*Transocean News Service.*

PROF. SABANIN ARRESTED Accused Of Espionage CRITICISM OF STALIN

London, Jan. 3. The Head of the legal department of the Soviet Foreign Office, Professor Sabanin, has been arrested on a charge of espionage according to press reports here from Moscow which state that Professor Sabanin who is a close friend of Maxim Litvinov, is accused of having criticised Stalin's action in appointing inexperienced members of the Communist Party to replace those Soviet diplomats who have fallen victims to the "purge."

It is added that four other officials of the Foreign Commissariat in Moscow, namely, Fachner, Neumann, Shachor and Beckmann, were arrested at the same time as Professor Sabanin.—*Transocean News Service.*

PEPPER THROWN IN EUROPEAN LADY'S FACE DARING ROBBERY ATTEMPT Nothing Stolen

A daring attempted unarmed highway robbery with violence, which took place on New Year's Eve, and in which a European lady was the intended victim, has just come to light as a result of a report made to the police yesterday.

Miss E. Short, of No. 2 Branksome Towers, May Road, reported that at about 6.45 p.m. on December 31 she was walking up Troquer Path from May Road. A Chinese male approached her from the other direction. Suddenly he struck the side of her head with his fist, at the same time throwing pepper in her face, and grabbing her handbag.

Miss Short screamed and struggled with her assailant and after a few moments' grappling the man took flight and ran away. Through the lady's courage in resisting the attack nothing was stolen.

The description given of the miscreant is that he is aged about 24 or 25, wore white clothing but did not appear to have on any shoes, and had the general appearance of a servant. Police enquiries are being pursued but, due to the delay in making the report, detectives are encountering some difficulty in their attempts to trace the man.

R.A.M.C. BALL A SUCCESS Gay Function At Bowen Road Hospital

Number One ward of the Military Hospital, Bowen Road, presented a very gay scene last night when the annual ball of the 27th Company, R.A.M.C., took place. A large attendance of over 200 persons, including many officers, men and guests, made merry till a late hour in a delightful atmosphere of colour and music, all contributing to the fun and making the function a great success.

Among those present were Col. H. H. Blake, O.B.E. (Asst. Director of Medical Services), China Command and Mrs. Blake, Lieut. Col. C. Crawford Jones, R.A.M.C. (Officer Commanding, 27th Company), Major C. B. Barry, Major and Mrs. Shakespeare, Miss C. Hammond (Matron of the Hospital), many ex-members of the R.A.M.C. and other nursing sisters of the Q.A.I.N.S.

The room was tastefully decorated for the evening, with varicoloured streamers, balloons and flags completing the effect. On one side of the room was arranged an excellent buffet in charge of Sgt. Hards and assistants. The entire arrangements, in fact, bore visible proof of the hard work and zeal of the organising committee, consisting of Cpl. Pratt, Cpl. Bridges, Pte. Brickle, Pte. Campbell and Pte. Smith.

Excellent music was provided by the Band of the Battalion, Middlesex Regiment, whose selections met throughout with insistent encore. The "Havarian Trio," composed of three members of the Corps, also rendered many pieces between dances. Cpl. Wyre was an ideal master of ceremonies.

VARIOUS WAR GASES EXPLAINED Effects, Characteristics And Practical Precautions FOURTH AIR RAIDS LECTURE

The effects and characteristics of lethal gases such as chlorine and phosgene and other non-lethal gases formed the subject of the fourth of a series of lectures on air raids precautions, which was given by Lt.-Cmdr. R.H. Douglas, R.N. (retired), at the China Fleet Club Theatre yesterday. A large and interested audience, composed of all sections of the community, was present.

In the course of his lecture, the speaker explained the difference between "persistent" and "non-persistent" gases, giving some very practical advice on measures to be adopted in resisting them, and also furnished ample quotation of recent experiments carried out in England.

The speaker said: "It may be of interest to give a very brief historical summary showing when the various gases were introduced by the Germans during the war and what was hoped to achieve with them."

The Germans delivered the first gas attack in April 1915, the gas used being chlorine.

The surprise was, of course, complete since the allies were totally unprotected, and there seems to be a fairly general opinion that had the German General Staff realised the power of this new weapon and used it on a large scale, having sufficient reserves at hand to take advantage of the situation created, they might have been able to decide the war out of hand.

Protection against chlorine was very quickly forthcoming, and in 1915 the Germans introduced Phosgene, which is more toxic or poisonous than chlorine and requires different protection.

(Continued on page 3)

ATTEMPTS TO LAND IN S. CHINA Repulsed By Chinese Machine-Guns

While reports from Shanghai indicate that no large-scale attack on South China is to be expected for at least a month, Japanese naval activities around the Pearl River-Delta have been intensified during the past few days.

Reports reaching Hong Kong state that Japanese marines, operating in motor boats and ship's cutters, less than twenty miles west of Castle Peak, made two attempts since Saturday to effect landings in the Heung Shan District of Kwangtung.

Gunfire was clearly heard in Macao on Sunday, and a stream of refugees is pouring into the Portuguese colony. The Heung Shan district is just across the entrance to the Canton River, and west of Hong Kong territory.

Japanese ships are said to be anchored near Lintin Island which is two miles outside Hong Kong territorial waters. The first attempt at a landing was made on New Year's Day, when fighting (Continued on back page).

FOOTBALL ASSOCIATION COUNCIL MTG. Financial Position Unsatisfactory NOT SENDING TEAM TO MANILA

It was decided at last night's meeting of the Hong Kong Football Association Council that a team would not be sent to Manila, as had been suggested. This decision was made in view of the unsatisfactory financial position of the Association and the visit of the Islington Corinthians next month.

The Council also decided to put forward the dates for the Lai Wah Cup match between the Chinese and the Civilians to January 8, on account of the counter-attraction of the Veterans' match which is being staged by the War Relief Fund Association on January 9. This latter game will be played between teams of veterans of Canton and Hong Kong. The Army-Navy match will now be played on January 9, on the Kowloon Football ground.

A presentation was made to Captain G. W. P. Kimm, of two ivory figures as a token of appreciation for the many ways in which he has helped the Council.

Mr. C. D. Carter, the Secretary of the Association, brought to the notice of the Council the fact that a forged ticket had been used, or attempted to be used, in the match between the British Isles and Hong Kong on Sunday. A man had been arrested but, following a mix-up, he had to be released.

The last matter settled by the Council was the decision to remove to cheaper premises at Holland House. The next meeting will be held in these quarters.

ARAB HANGED

Jerusalem, Jan. 3. The Iraq pipeline was damaged and set on fire in a number of places to-day by Arabs.

An Arab was hanged at Acre. He is the second person who was sentenced to death by the military court for possession of arms.

Reuter's Bulletin Service.



The above picture was taken on the occasion of the official opening of the Kowloon Football Club's new premises on New Year's Day. From left to right, Mr. G. G. Wood, Major C. M. Manners, O.B.E., Mrs. Smith, who performed the opening ceremony, and the Hon. Mr. N. L. Smith, being piped from the entrance to the Clubhouse by Pipe-Major W. C. K. Mackie. (Photo, Cheng Studio).

FRANCO-GERMAN RELATIONS IMPROVED

Berlin, Jan. 3. "A decided improvement in the atmosphere of Franco-German relations was reached during last year," declared M. Francois Poncelet, French Ambassador to Germany, at a reception of the French Colony in Berlin yesterday. The Reichs Foreign Minister, Baron von Neurath, and the French Foreign Minister, M. Yvon Delbos, had been pleased to acknowledge this at the meeting at the Berlin railway station on December 3, he said. Chancellor Hitler had previously declared that French and Germans had more reason for mutual admiration and esteem, than for hatred. If these suggestions would be recognized by all, logical consequences could be drawn, the French Ambassador concluded.—*Transocean News Service.*

REPUBLICAN OPERATIONS SUCCESSFUL

Severe Fighting On Teruel Front

Madrid, Jan. 3. Unusual success attended the Republican operations on the Teruel front yesterday according to a bulletin issued by the Defence Ministry in the early hours of this morning. Severe fighting took place throughout the day. It is declared that the Nationalists were making repeated attempts to break through the Republican line but on every occasion were thrown back with huge losses.

Of two major attempts on the Right Wing of the Republican front the first crumbled under devastating artillery fire but in the second attempt the enemy, advancing from Concord succeeded in approaching the Republican lines where they were engaged by infantry and forced to retreat in wild disorder.—*Reuter's Bulletin Service.*

GOOD PROGRESS BY CHINESE IN HANGCHOW AREA

Tsingtao Evacuation Was Imperative

JAPANESE ADVANCE TO TAWENKOW

Hankow, Jan. 3. Japanese forces pushing down on the Tientsin-Pukow Railway from Taitan are making good progress. The immediate objective is Yen-chow, 50 miles south of Taitan and they have already advanced 15 miles to Tawenkow where fighting is taking place. Another Japanese column is striking across the country with the ultimate object of reaching Kweihsia, an important town on the Lunghai Railway midway between Hangchow and Kaitung.

The object of this manoeuvre is to outflank the Chinese forces at Hsuehchow which is situated at the junction of the Tientsin-Pukow and Lunghai Railways.

Chinese quarters here admit the complete evacuation of Tsingtao by Chinese troops saying that withdrawal was imperative because of the danger of being encircled by the Japanese. Meanwhile, the Chinese counter-offensive in the Hangchow area is making good progress judging by Chinese reports which claim that a force of Chinese troops has reached Lungta, north of Chientang river, near the Hangchow Railway Station.—*Reuter.*

JAPAN IN NO POSITION TO DICTATE PEACE TERMS

London, Jan. 3. The "Manchester Guardian" states that the New Year message of the Japanese Premier, Prince Konoye, is not calculated to encourage undue optimism. What was once known as the "North China" incident was now admitted to be a long term battle with no end in sight.

Emphasising that Japan was no wise in a position to dictate peace terms, the "Manchester Guardian" says that ultimately the fall of Nanking may prove not even a moral disaster as it clearly marked the end of the Nanjing Government and the emergence of a Chinese Government based on a far wider section of the Chinese people.

The Japanese militarists went to war with the Nanking Government but they will have to make peace with the Chinese nation, the paper concludes.—*Reuter.*

CANTON TRAIN DERAILED Sixty Reported Killed

Canton, Jan. 3. About sixty persons were killed or seriously injured when the north-bound train from Canton to Wuchang was derailed at Huang-shihshan tunnel about 120 miles north of Canton at 11.20 last night.

The express included a locomotive and twelve coaches, and the latter jumped the rails. Two coaches were overturned, and inside were 20 dead, ten being women and children. The accident occurred near the end of the tunnel, was due to a torn track. Details of the mishap are lacking.

Doctors, nurses and other first aid units were rushed to the scene of accident this morning.—*International News Agency.*

With the Chinese nation, the paper concludes.—*Reuter.*

Near Riot In City Lands Japanese In Police Court STEAMSHIP OFFICIALS OBJECT TO ARREST AFTER QUEEN'S PIER NUISANCE ON SUNDAY

The stubborn refusal to submit to arrest and the use of violence by two Japanese, both officials of the Osaka Shosen Kaisha, caused a near riot in the heart of the city of Victoria on Sunday afternoon, when an ugly situation was created and the men had eventually to be bundled into a taxi and taken to Police Headquarters.

The two men, T. Nakashima, 39, O.S.K. Marine supervisor, and S. Fujii, 39, of the O.S.K. lines, were brought before Mr. R. Edwards at the Central Magistracy yesterday, charged with creating a nuisance by urinating in a public place and assaulting the police respectively. First defendant pleaded guilty, but Fujii denied the charge against him. They were on bail of \$25 and \$50.

In evidence Abdul Karim, Police-Constable B262, said that about 4.30 p.m. on Sunday four Japanese came off a motor boat at Queen's Pier. Three of them went off, but first defendant started to urinate in the pier. Witness told him he must not do that and he grew abusive and knocked witness "turban off." Witness arrested him with the aid of three others, and was taking him to the station when second defendant came up from behind, got a hold of his braces, struck him in the face, and also kicked him. Two Chinese detectives came up and they, together with the assistance of some Europeans, put them in a taxi and took them up to Central Police Station.

M.P.'s EVIDENCE
Lance-Corporal S. Wright, of the Seaforth Highlanders, a military policeman, said about 4.30 p.m. he was approaching Queen's Pier when he saw an Indian policeman being pushed about by two or three Japanese, one of whom was first defendant. He was trying to arrest first defendant and the others were preventing him. Witness came across to see if the constable needed any assistance. Together they took first defendant as far as Ice House Street, where an English constable and a Chinese constable came up. Witness left them there. They went as far as the corner of Pedder Street when witness heard a police whistle being blown. He went back and, pushing his way through a large crowd of Chinese, (Continued on back page)



On New Year's Day an enjoyable fancy dress hockey match was played between the C.B.A. and Y.M.C.A. In the above picture, standing nearest the camera are, from left to right, E. Gaubert, F. Fowler, S. MacNider and Mrs. M. Read. (Photo, Cheng Studio).

THE DOLLAR

T.T. ON NEW YORK: 30-15/16
T.T. ON LONDON: 1s. 27/8d.

London Silver Market

London, Jan. 3. London silver prices to-day were up 3/16 as follows:—
Dec. 31. Jan. 3.
Spot.....19-1/16 19-1/4
Forward.....18-7/8 19-1/16

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HONGAY EGG COAL and HONGAY SMALL LUMP for HOUSEHOLD USE

Please note to-day's prices per English ton

Causeway Bay, Happy Valley, Wanchai, Central & Western Markets, Kowloon	HK\$26.00
Park District, May Road, Bowen Road, Pokfulam, Felix Villas, North Point	HK\$28.00
Shek O, Stanley, Hapuloa Bay, Deep Water Bay	HK\$30.00

SZE WAI & COMPANY

Sole Agents for Hongay Coal in Hong Kong & South China.
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Tel: 25009

or THE HONGAY MINES OFFICE
Marina House, Tel: 51084

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IN TAIWAN (FORMOSA)

TAIPEI—TAIPEI RAILWAY HOTEL

IN MANCHUKUO

DAIREN—YAMATO HOTEL
HARBIN—YAMATO HOTEL
HOSHIGAU—YAMATO HOTEL

HEILONGJIANG—YAMATO HOTEL
KEILONG—YAMATO HOTEL

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CHRISTIAN SCIENCE

LECTURE BY MR. PAUL A. HARSCH

Mr. Paul A. Harsch of Toledo, Ohio, gave a lecture on Christian Science entitled, "Christian Science: The Eternal, Ever-Present Christ Recalled," on Friday in the course of which he said:

So long as the human sense of time shall endure, so long will the eternal Christ appear and reappear to human consciousness. By reason of His eternal and unchanging nature, God, good, must ever thus manifest Himself to men. This is the expression of divine law. When, in ancient Palestine, healing came to the woman with the "spirit of infirmity" who for eighteen years had been "bowed together," she "glorified God," for her Messiah, her Saviour, had appeared, the presence of the eternal Christ was realized. This healing was divinely natural, for, as Christian Science declares, "the time for the reappearing of the divine healing is throughout all time" (Science and Health with Key to the Scriptures, p. 55), and all who understand, even slightly, that the healing Christ is an ever-present reality may deliver themselves and others from sin, sickness, and limitation.

Perhaps the most intimate and dependable glimpses we have of Mary Baker Eddy, the Discoverer and Founder of this Christ-teaching, Christian Science, are to be found in her work "Retrospection and Introspection." This book may be described as, in a measure, her autobiography.

THE REDEEMING CHRIST DISCOVERED

It is the story of the penetration of her long expectant consciousness by a divine light, the revealing Christ-light, which dissipated the gloomy clouds that so overshadowed her human experience, that at the moment there seemed in it not even a tinge of hope or light.

THE ULTIMATE GOAL

Christian Science was first to reveal to mankind the real nature of this seemingly advancing and yet ever-present Christ, and to explain why Jesus, the great Way-shower, manifested the Christ more than any other man. It is the divinely established mission of Christian Science to continue to broadcast this explanation, until all men everywhere shall recognize their oneness with the Christ. Mind sufficiently to demonstrate their unity with their creator, their Father-Mother Life, as did the Master Christian, Christian Science does not demand that its adherents demonstrate at once such complete unity with good as did Jesus. It does, insist, however, that this is the ultimate goal. To reach it Christian Science points out that persistent and unflinching effort is required.

Until Mrs. Eddy's experience, as related by her and quoted in the beginning, the ever presence of the eternal Christ was unsuspected, or at least not understood in a way which could be practically explained. Having caught the glorious vision, however, it was inevitable for Mrs. Eddy to conclude that the

divine mission of the ever-present Christ was to reveal God to man, and forever explain and uphold the unchanging and unchangeable relationship of "Mind and Its Infinite Manifestation" (Science and Health, p. 468). Having reached this conclusion, she became convinced she must share her vision of the Christ with the world. How could this be done? The minds of men were so confused and restricted by the false teaching of centuries, the tangled undergrowth of superstition, mistaken theology, sensualism, greed, ambition, sordidness, that the voice of one "crying in the wilderness" must be pitched in a new and arousing key to attract attention.

MUST BE PROCLAIMED

The eternal, ever-present Christ, Truth, had healed and delivered her. The presence of that Christ, Truth, must be universally proclaimed. There should be no delay. Of all this there was no question in Mrs. Eddy's thought. Even at this time the character of the task confronting her must have begun to formulate itself in her thought, and perhaps explains why she shrank from it with all the hesitancy of a refined and sensitive nature. It is certain she realized from the beginning that to do other hands could the work be entrusted. Boldly at last she struck out. "The waters were strange, the course uncharted, but she had an unflinching and an undeviating compass, an 'understanding heart'."

HER PILGRIMAGE

And now as a parting message, I wish to leave with you a fragrant memory, one redolent of qualities which have ever marked those characters whose service to humanity has placed them highest in the estimation of men. This is the memory of one of Mrs. Eddy's rarest days. Some months subsequent to the dedication of the original Mother Church in Boston, unannounced and unaccompanied except by one faithful attendant, Mrs. Eddy, for the first time, made a pilgrimage to the spot now so precious to her. Entering the church she first walked slowly, joyously, reverently, to the centre of her cherished "prayer in stone," as she loved to think and speak of the Mother Church. There, for a few moments under the soft glow of the amber dome, she stood in voiceless thanksgiving; on the steps leading to the platform she knelt in silent prayer; then mounting the steps she reached the first desk and here with deepest feeling repeated aloud the ninety-first Psalm; now moving to the second desk, the words of a beloved hymn came flooding from her overflowing heart. No words more grandly epitomize her life nor more fittingly describe the humility and confidence of a life hid with Christ in God.

Gardener Takes Mistress' Bag And Valuables

Dr. R. S. Begbie, well-known Government Medical Officer, appeared as complainant before Mr. R. A. D. Forrest at the Central Magistracy yesterday when Ko Ching, aged 35, was charged with larceny by servant from No. 174, The Peak, of a handbag containing a diamond ring, a silver powder compact, cosmetics, three gold bangles, a pencil and 51 cents in money.

Acting Sub-Inspector Clarke said that about 8 p.m. on New Year's Day, Dr. and Mrs. Begbie and Dr. and Mrs. Pope were potting plants in Dr. Begbie's garden. Mrs. Begbie took off her ring and put it in her handbag. Shortly afterwards they all went into the house to wash when Mrs. Begbie remembered her bag. On returning to the garden for it she found it gone. A report was made to the police and defendant and another man were taken into custody on suspicion. He denied all knowledge of the matter and it was not until he had been in the hands of the police for four hours and had been closely questioned that he admitted the theft, and took the police to a dustbin at the bottom of which he had hidden the bag.

LONG SERVICE

In reply to His Worship Dr. Begbie said defendant had been employed as a gardener by Mr. Purves when he (Dr. Begbie) had taken over Mr. Purves' house

BANISHEES COMMITTED TO SESSIONS

Two life banishees were committed by Mr. R. Edwards at the Central Magistracy yesterday to stand their trials for returning. One was Lam Sun, aged 28, who was found in the Colony on Christmas Day, having been deported on March 31, 1937. The other was Li Po, aged 35, found here on December 14 in defiance of an order dated October 28, 1937.

In 1931. Altogether he had been in the employ of that house about 14 years and had served Dr. Begbie himself for some four years. He had hitherto been quite satisfactory, and Dr. Begbie agreed with his worship that it was probably a case of sudden temptation. He could not, however, take the man back into his employ.

A S. I. Clarke asked for a serious view of the case, as defendant had not given the police any assistance till he had been very closely questioned. In fact, they were on the point of letting him go when a last examination by the Chinese detectives caused him to confess. The ring and compact were valued at \$540 and the total value would be about \$600.

His Worship, remarking that he took into consideration the man's age and the fact that he would lose his employment and not stand much chance of getting another job, passed sentence of one month's hard labour.

DEMANDING MONEY WITH MENACES

Factory Foreman Threatened

"BUSINESS WITH JAPANESE"

Claiming himself to be a representative from the Central Government sent to "inspect" and "stop" local business firms from carrying on business with the Japanese, a man, giving his name as Chan Kwong-wing, approached the foreman of the Ching Wo Knitting Factory and accused the foreman of selling scrap iron to the Japanese and demanded a sum of \$100 to keep the matter quiet, threatening that the foreman's life would be in danger if such information which he gathered would be disclosed.

The man was brought before Mr. K. M. A. Barnett at the Kowloon Police Court yesterday charged with demanding money with menaces.

Mr. R. H. Cole appeared for the prosecution. Detective Sub-Inspector R. Cunningham represented the police while Mr. C. A. S. Russ was for the defence.

The defendant was Cheung Chi-wan. It was alleged that on December 11, he approached Shum Ting, foreman of the Ching Wo Knitting Factory, accusing Shum of selling scrap iron to the Japanese and that he (Cheung) was the only one who had found out the alleged facts. He threatened that the foreman's life was in danger and that it would be more so if he chose to disclose the facts. He claimed that he was a representative of the Central Government and produced a badge and a pass. He demanded a sum of \$100. Shum Ting, however, told defendant that he did not have the sum on him and that he could only raise \$20 which was paid. An arrangement was made that Shum Ting should meet defendant at the Mongkok Police Station where the balance was to be delivered. The venue was later changed to the Nathan Hotel.

Complainant did not turn up with the money and further arrangements were made but the complainant again failed to appear.

On being pressed, Shum Ting made a report to the police and a trap was set for defendant's arrest. Four bank notes were marked and when complainant handed the money to the defendant, the police appeared on the scene and arrested defendant.

After formal evidence was given by Det. Sergt. J. Hendridge the case was adjourned till January 17.

STOLE FROM FELLOW TENANT

Sentence of ten weeks' imprisonment with the option of a fine of \$100 was imposed by Mr. K. Keen at the Kowloon Magistracy yesterday on a woman, Au Yeung-ho, when she pleaded guilty to the theft of clothing, gold bangles, earrings and finger rings and money to a total value of \$349 from her fellow tenant at No. 82, Fuk Wah Street.

Ho Lin, defendant's husband, was similarly charged. He pleaded not guilty and his plea was accepted by the police and he was discharged.

ACCIDENTAL DEATH

A Coroner's Jury comprising Messrs. H. A. Browning (foreman), Ng Shou-mei and W. R. Brunwell returned a verdict of accidental death at the Central Magistracy yesterday, at the conclusion of the inquiry into the death of Lam Ping-lam, an 18-year-old youth, who died following injuries sustained when knocked down by China Motor Bus No. 805 in Tung Lo Wan Road on December 1. Mr. R. A. D. Forrest, sitting as Coroner and Traffic Sergeant Clark represented the Police.

The jury added that they considered the driver was not to blame, and the Coroner concurred.

ROTARY CLUB

At the meeting of the Rotary Club to-day Professor L. Forster, M.A., will speak on "Universities Development."

HE WENT TO STEAL

But Not Rob, Says Accused

Appearing on remand before Mr. K. Keen at the Kowloon Police Court yesterday, Lo Kam, a 32-year-old unemployed, who was charged with armed robbery, alleged to have been perpetrated at No. 257, Reclamation Street on November 3, was committed to stand trial at the next Criminal Sessions.

It was stated that in the evening of the day in question, the occupant of the house, Mr. Wong Ngai-wan, Professor of Political Science at the Canton University, left his residence with his wife and daughter, leaving behind an amah to look after the house. Defendant entered the premises by a "rick" and threatened the amah with a knife and after having tied her up confined her in a cup-board.

About 9 p.m. when Mr. Wong returned he found that his house had been ransacked and two suitcases, one passport, two fountain pens, three blankets and 28 pieces of clothing were missing. A report of this incident was made to the Yau-matli Police Station.

On December 11, acting on information received, defendant was arrested and charged.

In the witness box yesterday defendant denied that he had used any weapon to threaten the amah. He admitted that he went there

"HOOVER" MAY STILL BE SAVED

Crew On Way Back To United States

The majority of the crew of the wrecked Dollar liner President Hoover passed through Hong Kong on Saturday by the President Grant en route to the United States.

Only four members of the crew, who refused to travel by the President Grant, remain in Manila. They will return to California by a late steamer. The four men now remaining in Manila walked off the President Grant a few minutes before she left for Hong Kong.

A skeleton crew, headed by Capt. G. Yardley, still remains aboard the Hoover, and salvage crews are standing by awaiting an opportunity to refloat the vessel. Reports that the President Hoover is a total wreck, it is stated, are incorrect.

North-easterly monsoon weather is delaying salvage operations, but Dollar line officials are by no means pessimistic regarding the prospects of ultimately refloating the ship.

RESTRICTIONS REMOVED

The quarantine restrictions imposed against arrivals from Halphong on account of cholera have been removed.

with the intention to steal, but not to rob.

Jaeger

WITH A FOOTING

IN BOTH FIELDS



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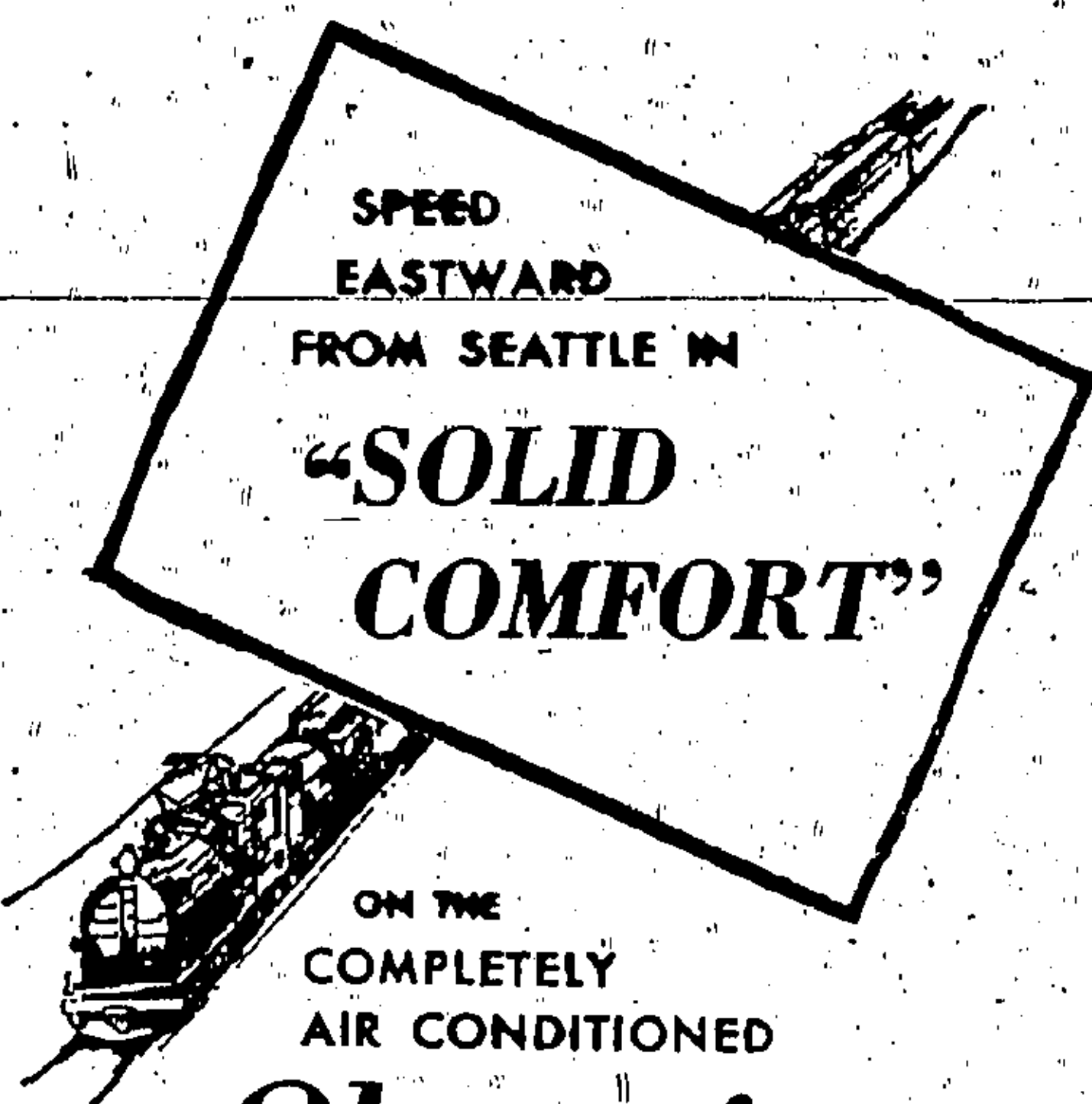


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THE MILWAUKEE ROAD

How to get rid of
Disfiguring
Blemishes



How much younger would you look and feel if your skin was clear and entirely free from blemish?

Pimples, spots, blackheads, enlarged pores, burning irritations and ugly complexion defects are woman's most common "aging" enemies. To all who suffer, Cuticura presents the most simple and effective way to clear the skin.

Cleanse the skin with Cuticura Soap twice a day. Its luxuriant, mildly antiseptic lather is soothing and softening; washes away pore-deep dust and grime which develop blackheads, enlarged pores and ugly complexion defects. And to

rid the skin of pimples, outbreaks, rashes or irritations use Cuticura Ointment direct on the affected part before washing with the soap. Its antiseptic action kills germs, soothes and heals and quickly clears the skin.

Try this treatment today, see how your skin begins to look clearer and fresher; your complexion smoother, lovelier, more attractive than ever before.

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For Clear Healthy Skin

Sold by all Chemists and Stores. Ask for Cuticura Soap and Cuticura Ointment. And for powder, use Cuticura Talcum—exceptionally fine and pure, exquisitely perfumed.

BRINGING UP AIR PILOTS

Imperial Airways Methods

In preparing pilots for the new long-distance work which will soon fall to them, Imperial Airways has taken the view that its officers should have experience of everything which may have to be done in and to their air liners. Those officers are expected to be pilots, navigators, ground engineers, and wireless operators, says the "Times." They join the company as pilots and everything else is added to them through the beneficence of the company. They go to school as soon as they join; they do school work as supernumerary officers in the aircraft; they return to school as they gain seniority; and they gain experience under the eye of the instructor in the course of subsequent voyages.

The policy of bringing up pilots in the way they should go has led to the establishment of a full educational organization. It is devised primarily to secure those Air Ministry certificates which may add to the dignity and authority of the full-blown officer and also to relate the acquisition of knowledge to its application in the type of work the company undertakes. If, for instance, the life of the candidate for a ground engineer's licence is considered, it appears that he mixes lectures with practical instruction and with hard labour as member of a shift in the workshops; he goes for a few days to the works where the engines and aircrews are made; and then he is shipped in one of the liners as first officer, and, between voyages, he shares with the maintenance team the duty of tending the craft in which he flies.

The practical advantages are evident, and this system is typical of all the courses of instruction. There are navigation pupils, engaged on set tasks, in many of the flying-boats which run almost daily out of Southampton Water. Some are junior officers practising astronomical observation and applying their refurbished mathematics to the working out of position lines and "fixes." Others are senior officers who have been years on the airways and are now busily engaged in turning second-class navigators' licences into first-class, so that they may qualify as commanders of the ocean boats which will soon be plying regularly over the Atlantic and the Pacific.

LONG PREPARATION

That qualification is one which demands a great deal of preparation. The second-class certificate is usually to be obtained after three months' study; the first-class may not be taken until a pilot has 900 hours' flying to his credit, and the school work may occupy six months. It may, in fact, be spread over a longer period. Senior officers cannot always be conveniently relieved of duty for six months, and some might suffer from surfeit if educational doses were too continuously administered in middle life. For their benefit part of the educational machine is removed periodically from Croydon to the Hythe base in Southampton Water, to coach returned officers until the time comes for them to take their next turns at the controls of a flying-boat bound for South Africa or India.

Soon there will be urgent need of first-class navigators, for every aircraft which crosses more than 600 miles of sea must have one on board, and at present the company can boast only 14. Therefore, the school, under the direction of Squadron Leader G. E. Godsavage, and its staff of instructors are arranging their work so that officers who have been flying for many years may be helped to conform to modern requirements, while the youngsters are being put into service with as much knowledge as they can reasonably carry and an examination habit which may help them later to acquire the higher qualifications.

TERUEL VICTIM SUCCEUMBS

Hendaye, Jan. 3. The "Associated Press" correspondent, Mr. E. J. Nell, who was mentioned yesterday as having been wounded in the leg while motorizing to observe the battle in the Teruel area, died in hospital today.

VARIOUS WAR GASES EXPLAINED

(Continued from Page 1)

BOTH LETHAL GASES

They expected that we should have no protection against it, but fortunately the Intelligence Service had discovered in advance that the use of phosgene was contemplated and the troops were provided with the necessary protection before the Germans first used it.

Both gases already mentioned are lethal.

Subsequent efforts were made by the Germans with lachrymatory or tear gases, and arsenical compounds, the intended function of lachrymatories being to prevent a man putting his respirator on quickly due to his being practically blinded by tears and the arsenical compounds were intended to penetrate the respirator and cause so much coughing that the wearer would be forced to remove his mask.

These gases I have mentioned are non-persistent, that is they do not hang around for a long time, except certain tear gases which show considerable persistence. In July 1917, Mustard Gas was first used by the Germans, but as the lecture after next is entirely devoted to Mustard Gas I do not propose to say any more about it to-day. As I told you in the introductory lecture the use of poison gas in war is forbidden by the Geneva Gas Protocol of 1925 to which this Empire and all the most important countries are parties. Nevertheless the risk of gas being used remains a possibility and cannot be disregarded.

EXPERIMENTAL DEPOT

There is at home a large experimental station manned by Naval, Military and Air Force officers and men and a large staff of scientists who experiment with new gases, find the antidote for them, design and test respirators, protective clothing, etc.

Any new gas is tried out generally first on a mouse, then a rabbit and finally on one of the staff, so I do not think we should be caught unawares as we were in 1918.

Every invention or suggestion is thoroughly investigated scientifically and practically, however crazy it may appear to be at first sight.

TWO GROUPS

Gases are divided into two main groups—"Non-persistent" and "Persistent." When liberated into the air non-persistent gases form clouds of gas or arsenical smoke which drift along with wind, gradually mixing with larger quantities of air and so becoming less dangerous. "Persistent" gases are usually liquids which evaporate slowly, giving off vapour.

The effectiveness of a gas may be considerably influenced by the weather. A high wind rapidly blows away non-persistent gas, or vapour arising from a persistent gas. In warm weather persistent liquids will give off vapour which will rise and readily become mixed with the air, but on the other hand the liquid evaporates more quickly than in cold weather. Frost has little effect on non-persistent gases but will freeze persistent liquids. Light rain has little effect on gas of either sort, but heavy typhoon rain tends to wash the gas out of the air and also helps to wash away and destroy any persistent liquid on the ground.

The most dangerous conditions therefore, under which any gas may be used are in mild calm weather with or without fog. The absence of wind means that the rate of mixing the gas with the air will be slow, and therefore it will drift about in a dangerous concentration for a long time.

As I mentioned before, chlorine and phosgene are the two main lethal non-persistent gases.

CHLORINE

Chlorine is a greenish yellow gas with an unpleasant pungent and suffocating odour of chloride of lime (bleaching powder).

It is readily liquefied at ordinary temperatures by pressure and is therefore usually stored in steel cylinders. It attacks most metals and is soluble in water.

When released it forms a greenish yellow cloud. It is a deadly lung irritant.

The effects of lung irritants, of course, depend on the amount of gas and the length of time you are exposed to them. The stronger the gas the greater the injury in a given time a certain quantity must be breathed before it will do any real harm.

KEEP STILL

A person working hard is breathing a much greater volume of air than a person sitting still, so that given the same concentration the worker would suffer the greatest injury. That is why in my last lecture I advised you when in your shelters or houses, if gas is present, to put on your respirators and sit still. Even if gas is not present and there are a lot of others with you in a small space, you must keep still, as otherwise you are using up more than your share of oxygen. I think that only under very special circumstances there would be sufficient gas present to render one or two breaths dangerous so if you do get a whiff or two, don't think all is lost and turn your face to the wall.

The concentration of chlorine required to incapacitate in an exposure of 2 minutes is 1 in 10,000.

I will not attempt to give you the full medical details of the effects of these lung irritants, as I cannot pronounce most of the long words they use—still less do I know what they mean, but anyone interested in that line may discover all he wants to know in Air Raid Precaution Handbook No. 3, "Medical Treatment of Gas Casualties," which can, I think, be obtained from Kelly and Walsh. Anyhow they can get them for you.

LUNG ATTACKED

What roughly happens in plain language is that these irritants attack the air cells of the lungs, causing a fluid to be formed which prevents the passage of oxygen into the blood, thereby causing the patient to collapse from lack of oxygen, and death is frequently the result. For this reason all exertion on the part of the victim must be avoided at all cost, as exertion calls for more oxygen.

Get a respirator on him—put him on a stretcher and carry it out of the gas. He must be kept warm, because, chattering teeth cause exertion. Do not give him alcohol, as that makes the heart go faster, therefore demanding more oxygen. Artificial respiration

(Continued on Page 11)



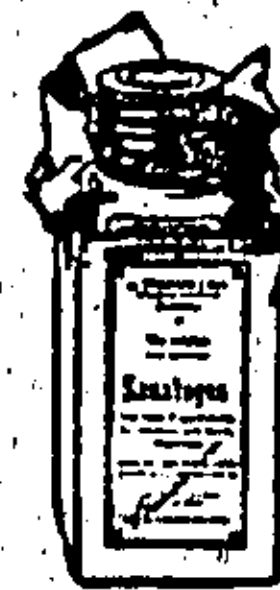
full of Energy and Cheer"

"As for Sanatogen, it can never be beaten, it is just like drinking magic, and those who have had a nervous breakdown, like myself, please tell them to try Sanatogen. I can eat, sleep and enjoy life now. It is life, and life is wonderful when there is health, and there is health in every bottle of Sanatogen."

writes an enthusiastic Sanatogen user.

Take a course of Sanatogen and enjoy Youth and Health again. Headache, nervousness, anaemia, and fatigue after a full day's work will soon disappear, for Sanatogen gives your body and nerves the strength they need.

SANATOGEN strengthens and soothes the nerves and revitalises the blood. Buy a bottle at once. You will soon enjoy work and leisure and not only feel young but look young too.



SANATOGEN

The True Tonic Food

Obtainable at all Chemists

NEW FOUNTAINS FOR TRAFALGAR SQUARE

A scheme for the reconstruction of the Trafalgar-square fountains to designs drawn up by Sir Edwin Lutyens, R.A., is to be submitted

to the Office Works as soon as possible.

The Office of Works will consider Sir Edwin's suggestions. If it is decided to act upon them, the scheme will be submitted to the Treasury for its consent.

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The Funniest And Most Entertaining Picture Of The Season!
"MERRY GO ROUND OF 1938"
Bert Lahr - Jimmy Savo - Billy House - Mischa Auer
Alice Brady & Universal's New Find, Joy Hodges.

TO-DAY AT THE CINEMA

Hong Kong

KING'S:—
"Way Out West"
QUEEN'S:—
"Angel"
ORIENTAL:—
"Under Two Flags"

Kowloon

ALHAMBRA:—
"Merry-Go-Round of 1938"
STAR:—
"A Star Is Born"
MAJESTIC:—
"Captains Courageous"

Coming

KING'S:—
"Racketeers In Exile"
QUEEN'S:—
"Merry-Go-Round of 1938"

ORIENTAL:—
"Kid Millions"
ALHAMBRA:—
"Angel"

STAR:—
"Girl Overboard"
MAJESTIC:—
"Dark Hazard"

WAY OUT WEST

Yippee! Yippee! Laurel and Hardy in their first Western! The packed audience at the King's Theatre to-day whooped it up with these inimitable comics as they rip-roared and rollicked in their latest Hal Roach-M-G-M. feature comedy, "Way Out West." In the opinion of your critic, it is their funniest and fastest-moving laugh-hit.

Laurel and Hardy are not portrayed as bronco-busting cowboys bold—instead they are just a pair of "tenderloin" desert miners trying to do a good deed for a dead prospector "pard." But they are in a "locale" of the wild and woolly gay 90's surrounded by mounted cowhands, stage coaches and all the tough hombres and picturesque atmosphere of the glamorous and adventuresome pioneer times.

ANGEL

One of the most beautiful and charming screenplays the screen has witnessed in months will be shown at the Queen's Theatre to-day when "Angel," Paramount's picture will be on the screen. The fine work of the principals, Marlene Dietrich, Herbert Marshall and Melvyn Douglas, combined with the expert and unique direction of Ernst Lubitsch, have turned out a picture of flawless brilliance.

Herbert Marshall, who plays Miss Dietrich's husband in the film, is a diplomat whose interest in state affairs has gradually drawn him away from his wife, a fact of which he is not aware, although she resents it and is deeply hurt by it. Her dissatisfaction with humdrum life leads her to take a secret trip to Paris, where she meets Melvyn Douglas, an Englishman on his way home after a long sojourn in India. They are attracted to each other immediately, and spend a wonderful evening time together in Paris. Marlene refuses to give her name, explains that she will never be able to see him again in the future, and says that they must look upon the evening as an isolated incident which must be forgotten. She runs away from him and returns home, leaving him knowing her only as "Angel."

In time Douglas and Marshall meet and become friends. Douglas comes to Marshall's home as a guest. There Miss Dietrich refuses to discuss the past with him. The supporting cast, including Ernest Cossart, Laura Hope Crews, Edward Everett Horton and Herbert Mundin, is excellent.

FALCONRY AT THE ZOO

The Zoo authorities are trying to establish an exhibition of falconry as a feature in the Gardens.

The birds are being trained to take exercise by going off for flights and returning. For days a sparrowhawk was carried about and fed by hand, and he grew tame enough to be stroked by strangers. He is now being taught to fly to a lure and by the end of the month he is expected to be ready for the falconry.

A kestrel is almost tame. When his education has been completed the next pupils will be a peregrine falcon and an Iceland falcon.

£10,000 TAX DEMAND INQUITIOUS, SAYS FILM STAR'S HUSBAND

Captain Philip Astley, husband of Miss Madeleine Carroll, the British film star, threatens to live in France or Spain permanently if the income-tax authorities persist in their demand that he should pay £10,000 tax on his wife's income, writes a Home correspondent.

Miss Carroll sailed recently to Hollywood to start work on another film.

Discussing the position Captain Astley said: "It is iniquitous."

"The income-tax authorities sent me an assessment form, and on this I refused to fill in details of my wife's income."

"My ground for this attitude is that during the years 1936 and 1937 my wife spent a total of 19 days in England. She has already paid out 60 per cent. of her American earnings in State and Federal tax."

"If any more were to be paid in income-tax it would not be worth her while to continue to work in films."

"Besides, her work is wholly in America now. Her money is there too—it is not in my hands."

"The income-tax authorities here sent me a flat assessment of £10,000 on my wife's income, and say that I must pay it."

"I took counsel's opinion. He advised me that I had a good case."

THINKING IT OVER

"The position now is that they are thinking it over."

"My wife has a similar opinion about the matter."

"If I were forced to go abroad to live, it would mean considerable inconvenience."

Captain Astley, formerly of the Life Guards, married Miss Madeleine Carroll in 1931 at Como, Italy.

WANTED!

PLATINUM BLONDES

Platinum blondes, common—no, uncommon—blondes, and other beauties are needed for the March to Nationhood Pageant, in the 150th Anniversary Celebrations, in Australia this year.

Six of the platinum variety will be required for a float depicting "Flannel flowers," four golden blondes for "Wattle" float, and five titian-haired girls for a symbolic representation of "Copper."

For the "Gold" float, a search is being made for the most beautiful golden-haired girl in Sydney, to portray the "Queen" of the precious metal.

All the girls must have personality, besides good looks. It's a little unfair to the brunettes. But unless "Coal" has a float, they seem to have no chance for anything really distinguished.

HIDEOUS CONTRAST

In hideous contrast with goldlocks, six men with full beards are needed to represent miners on the gold float. The total personnel for the units will be 1500. National flowers to be symbolised in the pageant are: Wattle, Waratah, Christmas bell, and flannel flower. Among other floral floats will be one representing the Suspension Bridge at Northbridge (centered by the Willoughby Council) and another the Landowne Bridge (Cabramatta Council). The metal floats will depict the discovery of coal, copper, and gold. The Minister in charge of the Celebrations, Mr. Dunningham, told the press that the pageant would be made up of "announcements" and floral floats, bands, and descriptive units, comprising marching and mounted parties. Historical events from the foundation of Australia to the present day would be portrayed. The personnel of 1500 would be dressed in either historical or symbolic costumes. A staff of machinists was at work, and already some hundreds of costumes and uniforms had been made.

WHERE SNAKES ARE DANGEROUS

About 20,000 people lose their lives in India every year as the result of snake-bite. Snakes do not chase the people, but the natives with bare feet and legs suddenly step upon or surprise a snake, and in self-defence it bites them. The snakes of India are very poisonous, and so death results.

In Great Britain fortunately, there is only one poisonous snake, the viper or adder, and it is very rarely that anyone is bitten.

In America, where there are several very dangerous snakes, it is believed that between one and two thousand people are bitten every year. Only a proportion of these die as a result of the bites.

FIGHT FOR WORLD PEACE

China is fighting, not only for national independence, but for the peace of the Far East and of the world, declared Mr. Wang Ching-wei, chairman of the Central Political Committee, in an address given at a reception in his honour at Hankow recently.

Mr. Wang stated in the course of his address that though China is at the moment fighting a powerful enemy single-handed, with the rest of the world just looking on, the time will come when the world's patience will be exhausted, and the Powers will then step in to help China overthrow the Japanese.

Until intervention occurs, the speaker said, China will continue to fight the Japanese as long as she has a man left to shoulder a rifle.

"In order to prolong the resistance, those who have money should contribute to the Government, while the able-bodied should give their services to the State. We must all resolve to lay down our lives for the attainment of victory," he urged.

KING'S

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When they sing...when they dance...the West goes wild and woozy!

LAUREL HARDY in
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Presented by
HAL ROACH STUDIOS

A STAN LAUREL production
Directed by James W. Horne
Screen play by Charles Rogers
Tells a story of a cowboy
A Metro-Goldwyn-Mayer picture

TO-MORROW: "RACKETEERS IN EXILE"
Columbia Picture with George Bancroft, Evelyn Venable, Wynne Gibson

ALHAMBRA

• FINAL SHOWINGS TO-DAY •

An unusual fast moving musical romance with four furiously funny comedians!



TO-MORROW: "ANGEL"
Paramount Picture
Marlene Dietrich in "ANGEL"
Herbert Marshall - Melvyn Douglas

ORIENTAL

• 2 DAYS ONLY TO-DAY • TO-MORROW •

DEVIL-MAY-CARE OUTCASTS IN THE UNIFORM OF DEATH!

From Ouida's romantic novel of the French Foreign Legion flashes this glorious spectacle-drama of men's heroism and women's devotion, with the greatest cast ever seen.

A THRILLING STORY OF SAHARA'S BURNING SANDS!

FOUR GREAT STARS
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UNDER TWO FLAGS
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RONALD COLMAN **CLAUDETTE COLBERT**
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SPECIAL! THURSDAY ONE DAY ONLY!
EDDIE CANTOR in "KID MILLIONS"

A magnificent outstanding comedy you'll enjoy seeing again!

• MATINEES: 20c-30c • EVENINGS: 20c-30c-50c-70c •

Five minutes after buying a secondhand car, a North London man drove it into a brick wall, killing the car and its rider, Nicholas Dalton, of Waterford, severely injured.

MAJESTIC

NATHAN ROAD KOWLOON TEL. 57223

• FINAL SHOWINGS TO-DAY •

A PICTURE AS BIG AS THE SEVEN SEA!
A STIRRING SAGA OF IRON MEN ON WOODEN SHIPS
TO THRILL YOU... TO TOUCH YOUR HEART!

M-G-M'S MIGHTIEST SCREEN TRIUMPH!



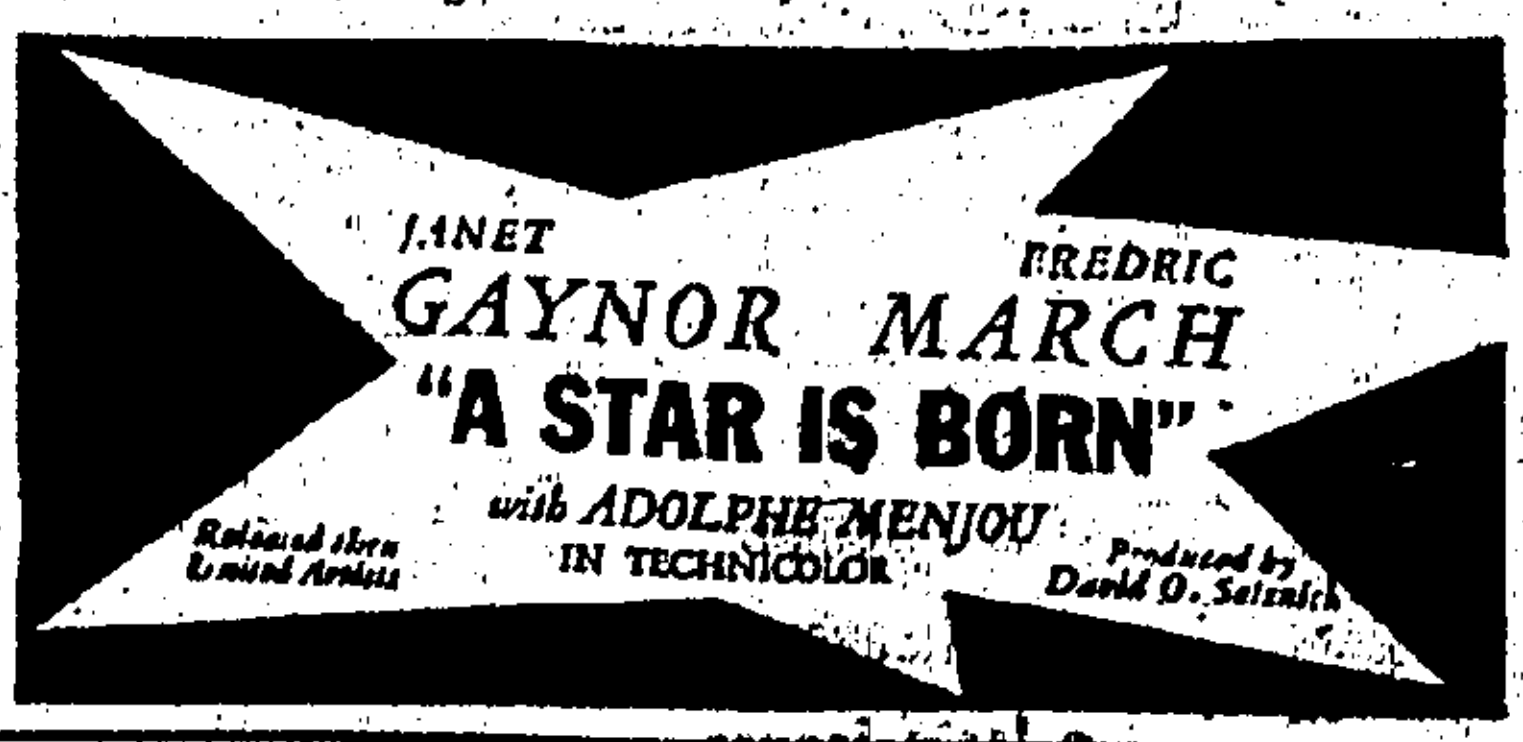
TO-MORROW AND THURSDAY •
EDWARD G. ROBINSON in **"DARK HAZARD"**
A WARNER BROS. PICTURE

STAR

HANKOW ROAD KOWLOON TEL. 57795

• TO-DAY ONLY •

The Glamorous Story Of A Girl Who Stormed The Heights Of Hollywood Stardom.



TO-MORROW: **GLORIA STUART** **WALTER PIDGEON** in **"GIRL OVERBOARD"**



Make teething-time easier

That first, eagerly expected, little tooth is about to peep through. And baby wants something hard to suck and bite upon to help it to come through easily.

Instead of a bone ring or comforter—which often results in infection from germs and causes malformation of the mouth—give 'Ovaltine Rusks to Baby.' Crisp—but not too hard—they give that biting exercise which ensures sound, well spaced teeth and correct jaw formation.

Then through childhood it is the continued use of 'Ovaltine' Rusks that keeps the teeth strong and healthy and makes possible those perfect permanent teeth later on.

OVALTINE RUSKS

APPETISING-DIGESTIVE & NOURISHING

IRSC4



"I feel I must write and tell you what beneficial results I have derived from Kalzana. My trouble was debility and anaemia. My whole system seemed to wake up with new life and vitality. My complexion clear and bright. I cannot speak too highly of the value of Kalzana."

writes Miss K.E. E.

Attractive YOUTH depends upon GOOD HEALTH

A woman's health and happiness are dependent, far too often, on periodical weakness and pains. And yet, these are entirely natural events, which need not be the cause of so many complaints.

Conquer your periodical weakness by taking Kalzana—the mineral food for better health. It will strengthen your blood cells, increase your power of resistance, diminish pain and discomfort and give you new strength and stamina.

Buy Kalzana at your nearest chemist to-day and you will soon be convinced that Kalzana really does give the help you need. It will make you enjoy work and pleasure to the full again.

Kalzana

THE MINERAL FOOD FOR BETTER HEALTH

Obtainable of all Chemists in tablet and powder form

Kalzana Tablets are sold in bottles of 75 and 450. Kalzana is the most economical of all calcium preparations.

CHINA WAR NEWS

CHINESE ATTACK LINGCHANG

Chengchow, Honan, Jan. 3. Chinese guerilla forces in south Hopen have crossed the Chang River to attack Lingchang and Chengan east of the Peiping-Hankow Railway.

Between Lingchang and Tshien there are about 20,000 Japanese troops, who are scattered along the railway stations from 30 to 300 in each unit.

Luhokow in north Honan west of the Peiping-Hankow Railway was recaptured by the Chinese forces. There have been considerable troop movements among the Japanese at Taming and Hantan in south Hopen.

International News Agency.

CHINESE MILITARY APPOINTMENTS

Hankow, Jan. 3. General Pao Hsueh-hsi, the well-known Kwangsi leader, is appointed by the National Government to take charge of military organization and training, and General Chen Cheng is assigned to take charge of political training, according to an unconfirmed Chinese report.

Staff work is under the care of General Hsu Yung-chang. General Chen Cheng is vice-minister of War, and General Hsu Yung-chang has long been a follower of Marshal Yen Hsi-shan. These appointments are according to an unconfirmed Chinese report.

It was pointed out that the reshuffle of high ministerial posts as announced on New Year's Day indicated that the government remains under the control of the Kuomintang with many of its leaders retaining important positions.

International News Agency.

JAPANESE WOMAN SPY IN SOUTH CHINA

Hankow, Jan. 3. Military authorities in South China are watching the movement of a beautiful Japanese spy named as Miss Yoshiko Kawashima, who took part in espionage work in Manchuria. She is now active in South China with two Japanese women of attractive appearance, according to the "Shu Tang Pao," a Chinese paper in close touch with the military authorities.

The newspaper said that this Japanese "Mata Hari" actively served in the Japanese army on the Asiatic continent for six years and is drawing the attention of a certain foreign colony. Known as "Manchuria's Joan of Arc," and "The Beauty in Male Suit," she led a Manchurian brigade to help the Japanese conquer Jehol in 1933. She claimed to be a daughter of Prince Kung of the defunct Imperial Manchu House of Peking.

International News Agency.

FIGHTING ON TIENTSIN-PUKOW LINE

Hsuechow, Jan. 3. Fierce fighting which broke out on New Year's Day is continuing unabated along the northern section of the Tientsin-Pukow Railway where the main body of Chinese forces are resisting the Japanese onslaught at Tawenkow. The right wing is holding Hsintai while the left wing has put up new defences at Ning-yank.

Central News.

CHINESE COMPLETE EVACUATION

Hsuechow, Jan. 3. The Chinese forces completed their evacuation from Tientsin on the night of Dec. 31 according to well prepared plans, Chinese official quarters here announced.

All public buildings, factories and government structures, whether Chinese or Japanese owned, were completely destroyed before the Chinese withdrew from the city.

Central News.

CHINESE AT OUTSKIRTS OF HANGCHOW

Hankow, Jan. 3. In a general counter-offensive against the Japanese at Hangchow, the Chinese forces have recaptured Fuyang and Yuhang; the vanguards have reached the Lu Ho Pagoda, better known to tourists as the Six Harmony Pagoda, on the outskirts of the lakeside city, according to latest military despatches from the front. The pagoda is situated on a hill on the north bank of the Chien-tang River near the campus of the Hangchow Christian College.

Central News.

DOG-FIGHT OVER NANCHANG

Chinese Drive Away Japanese Raiders

Nanchang, Jan. 3. A Japanese plane was downed by Chinese machine-gun fire during a thrilling "dog fight" between twenty-three enemy aircraft and a squadron of Chinese pursuit planes at one o'clock yesterday.

The Japanese raiders came by way of Anhwei and the Foyang Lake. An alarm was raised shortly before one o'clock, and the Chinese planes immediately took to the air to stop the invaders.

During the fight which ensued, the Japanese planes were completely out-manoeuvred. One of the planes was seen to have been hit by Chinese fire and made a forced landing somewhere on the outskirts of the city.

Over sixty bombs were dropped by the invaders, inflicting slight damages to civilian properties. There were no casualties.

Central News.

CHINESE RAID NANKING

Pengpu, Jan. 3. A squadron of Chinese bombing planes conducted a daring raid on the Tachiaofang airfield at Nanking yesterday and completely destroyed two Japanese pursuit planes there.

The raid was conducted at mid-day, which took the Japanese completely by surprise.

Central News.

CHINESE WITHDRAW FROM TAIAN

Hsuechow, Jan. 3. Further to shorten their defence line, Chinese troops in northern Shantung have withdrawn from Taian and are now holding Taiwankow, twenty-five kilometres to the south on the Tientsin-Pukow Railway.

The railway bridge spanning the Wan River, according to reports from railway circles, was blown up by the Chinese on New Year's Day.

Important military instructions from the High Command were conveyed to Gen. Han Fu-chu, Chairman of the Shantung Provincial Government, yesterday. Reinforcements, in the meantime, are being rushed to strengthen the Chinese defence.

Central News.

SHANGHAI-NINGPO SHIPS STOPPED

Shanghai, Jan. 3. All foreign shipping companies have been compelled to suspend shipping services between Shanghai and Ningpo in consequence of the closure of the opening of the boom across the Yung River at Chinhai, to the east of Ningpo, by the Chinese authorities. The action is said to have been taken as a precautionary measure in view of the extension of Sino-Japanese hostilities in Chekiang.

Reuter.

RESUME ADVANCE

Shanghai, Jan. 3. With the Japanese resuming their advance after a temporary halt, fierce fighting is raging in the region south of Poshan and east Weishien in Shantung, according to Chinese reports.

Japanese troops are stated to have occupied the island of Taitung, 12 miles southeast of Taitung, "apparently with the object of making the island a new base of operations against Taitung."

Meanwhile, the Japanese are said to be continuing their drive down the Tientsin-Pukow Railway, where the Chinese have evacuated Chueh.

On the Yangtse front, the Japanese are reported to be advancing on the southern bank of the river from Wuhu in the direction of Tatung and to be simultaneously attacking Hopen on the northern bank.

Reuter.

CHINESE SUCCESSES

Shanghai, Jan. 3. The evacuation of Taian by Chinese troops is admitted by the Chinese authorities at Hankow, who state that the forces are retreating to Nanyi, 25 miles south of the Tientsin-Pukow railway.

On the other hand, Chinese sources claim that Chinese troops are meeting with considerable success in the neighbourhood of Hangchow and have reached a point 20 miles north-west of the city. The reported successes are attributed to the co-operation of the Chinese regular troops with guerilla bodies which were organized previous to the fall of Hangchow. It is stated that similar guerilla operations will in the future be carried out as far as possible on all fronts.

Reuter.

PEACE PARLEY CONTINUING

No Chance Of Success Unless Japan Modifies Terms

Hankow, Jan. 3.

It is learned that peace conversations are continuing between Generalissimo Chiang Kai-shek and the German Ambassador, M. Trautmann, notwithstanding that the Generalissimo has just rejected Japan's latest terms which claimed a permanent military and economic footing for Japan in China.

Official Chinese quarters have been taken aback by the publication of the terms, as it was intended to keep the talks strictly secret in order not to prejudice the chances of ultimate success, but now that the terms have leaked out, official Chinese quarters contend that Japan must considerably modify them, if she sincerely wants peace.

Hankow despatches, which reached Hong Kong by way of Moscow on Friday, revealed Japan's six-point peace offer to China. It was:

1. China's adherence to a pact against communism which is directed against Japan and Manchukuo;
2. Economic agreement giving Japan participation in the national resources, customs, foreign trade, aviation and other transport and communication of China;
3. Permanent Japanese garrisons in China;
4. Demilitarized zones in regions specified by Japan;
5. An independent Inner Mongolian Government;
6. Chinese payment of war indemnities.

TELEGRAPH OFFICE SUSPENDS OPERATION

Hsuechow, Jan. 3. The Chinese Telegraph Office in Tientsin suspended its services on New Year's Day after having operated under difficult circumstances for five months following the occupation of the port city by the Japanese late last July.

The closure of the Office was consequent upon an advice given by the French Consul in Tientsin on Dec. 29, who professed inability to protect the organ any longer.

With its closure, all property belonging to the Office, including buildings and apparatuses, has been temporarily placed under the custody of the French Consulate. It is learned here that the whereabouts of the director of the Office, Mr. Wang Jo-hsi, have been closely watched by the Japanese authorities in Tientsin.

Reuter.

TRAINING FOR FISHERMEN

Canton, Jan. 3.

The Japanese destroyer which stations off Taisan customs station to watch Canton-Hong Kong river steamers was not seen last Saturday. It is not known where she is at the present.

In view of frequent interference with Chinese fishing smacks by Japanese warships, the 500,000 fishermen in Kwangtung waters will be given training by the Joint Party, Political and Military Committee. These seafaring men and women will be instructed on how to catch fish on a bigger scale and to defend themselves against Japanese warships.

Instruction will also be given as to where and when to fish in the right season.

International News Agency.

ITALY WATCHES BBC ARABIC BROADCAST

Britain's Step Called "War Of The Ether"

Rome, Jan. 3. Arabic-speaking Italian Government stenographers are among those who will be listening in to the first BBC Arabic broadcast from London at 6 p.m. to-day. They will take down a report for the Minister of Popular Culture, Signor Alfieri, who controls the gigantic machinery of Fascist propaganda and counter-propaganda.

The BBC reply to the Bari Arabic broadcasts is described here as the opening of a war of the ether against Italy.

Italy has been one of the most active nations broadcasting to foreign countries, employing 14 languages. The daily total duration is 11½ hours, not counting the programmes for Italian colonies and Italians resident abroad.

The Arabic broadcast from Bari lasts 39 minutes, while the BBC will only give 15 minutes to the latest introduction.

Reuter.

CAIRO ACCLAIMS LAMPSON

Cairo, Jan. 2. Sir Miles Lampson, the British High Commissioner, was enthusiastically acclaimed by a crowd outside Mahmoud Pasha's house when he paid his first official call on the Premier. The latter has issued a statement that the adjournment (not suspension) of Parliament for one month is in accordance with the Constitution.

Reuter.

PROVISIONAL TRADE AGREEMENT

Moscow, Jan. 3.

The provisional trade agreement between Soviet Russia and France, which had been in operation since 1936, has been extended to cover 1938 under the same terms.

Reuter.

BARCELONA BOMBED

Barcelona, Jan. 3.

Insurgent planes heavily bombed the centre of Barcelona to-day as a result of which 49 people were killed whilst 50 were seriously wounded.

Reuter.



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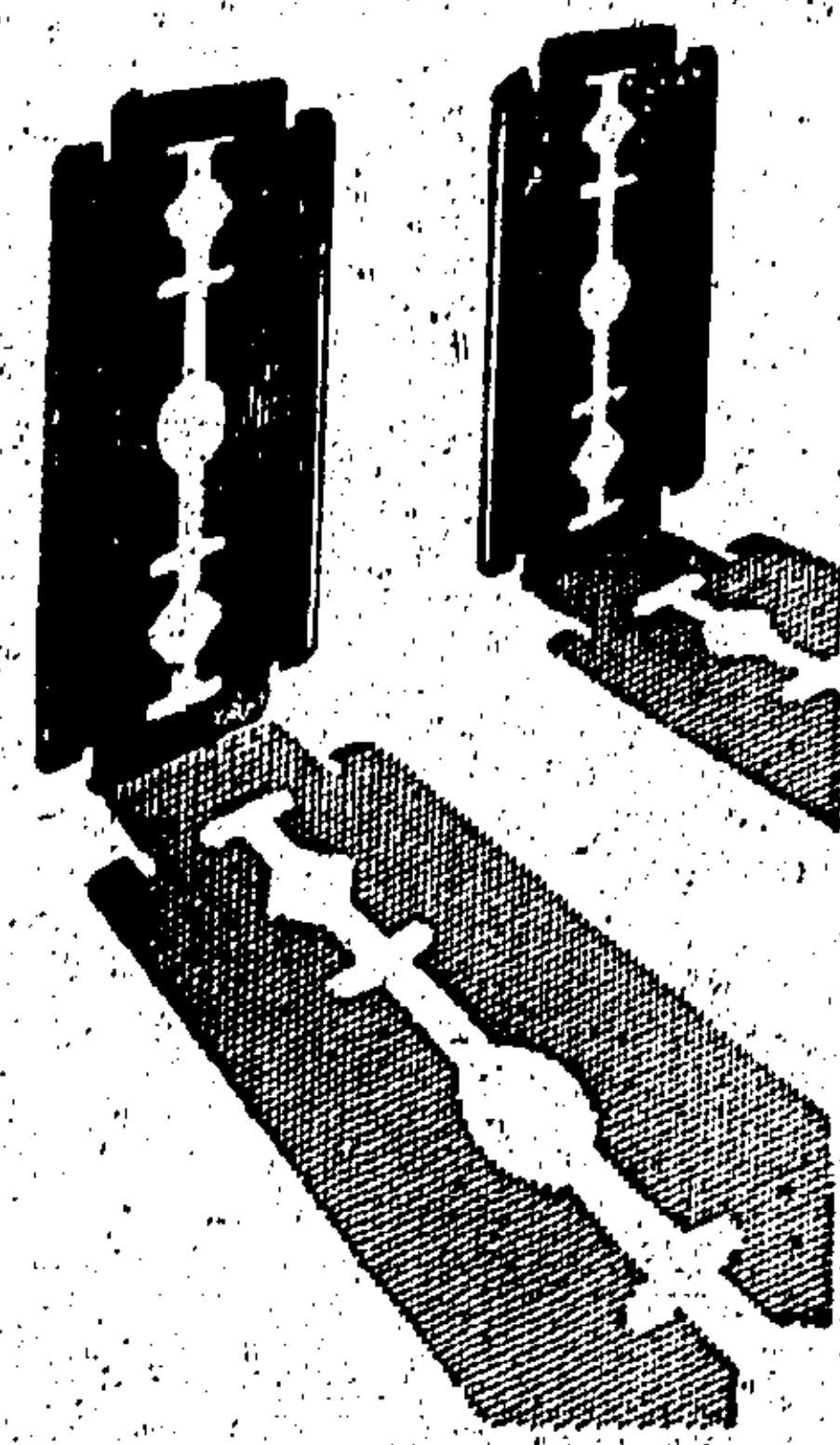
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THE SERVICES

(By The Air Mail, London Dec. 18)

ROYAL NAVY

SHEERNESS DOCKYARD COMMAND

Captain H. R. Marrack, D.S.O., has taken up the post of Captain-Superintendent of Sheerness Dockyard, in succession to Captain H. B. Maltby, who completed the normal two years in September. Sheerness is now mainly used as a storing and repairing yard for small craft, and has a salaried staff of 185, compared with 712 at Chatham.

CIVIL APPOINTMENTS

The following appointments as Admiralty Surgeon and Agent have been approved—Mr. J. Morris, at Newport Pagnell, Bucks; Mr. A. T. Ross, at Mevagissey, Cornwall; and Mr. W. C. Winterbottom, at New Romney, Kent.

The following have been appointed officiating ministers of religion—The Rev. Henry Neary, to Roman Catholic personnel at Bermuda, "vice" the Rev. B. C. Martin; the Rev. T. A. H. Getley, to Baptist, Congregational, and Presbyterian personnel at Gorleston and Great Yarmouth, "vice" the Rev. H. R. Hawkins.

SCARCITY OF PETTY OFFICERS

In view of the scarcity of men on the advancement rosters for acting petty officer, acting yeoman of signals, and acting petty officer telegraphist, temporary arrangements are to be adopted to ensure that leading seamen, leading signalmen, and leading telegraphists who are recommended for immediate advancement may be placed on these rosters without delay. Reports are to be rendered specially for these ratings on the last day of each month.

NAVAL APPOINTMENTS

The following appointments were made by the Admiralty on Dec. 16:

Capt. D. B. Fisher, O.B.E., E. J. P. Brind, to President for course at Army School, Sheerness (Jan. 10); R. C. O'Connor, to President for duty inside Admiralty (Dec. 29), and as Asst. Director Plans Div. (Jan. 5).

Cdr. (Sg/Ldr., R.A.F.)—G. W. Wiloughby, to Glorious (Dec. 20).

Lt.-Col. H. R. M. Nicholl, to Danes (Jan. 12).

Lt. P. J. Milner-Barry, F. M. Griffiths, to President for Met. course (Jan. 3).

Surg. Lts. (D)—R. W. Ellis-Smith (seny. antedated to April 5, 1937), F. L. Ferris, to Pembroke for R.N.B. 9).

Payr. Lt.—J. D. Price, to Exmouth (Jan. 14).

Sub-Lts.—W. P. L. Le C. Barnes, to Winchester (Dec. 16); G. W. Vavasour, to Iron Duke (Jan. 4).

D. O. Smith (act.), to Excellent for course (May 2, 1938).

Senior Master—C. Page, to Nelson (Jan. 1).

Schoolmasters (C.W.O.)—T. Kelly, to Victory for Sig. School (Dec. 28); S. M. Topley, to Greenwich (Jan. 2); L. C. Tomlin, to Victory for Sig. School (Jan. 5).

Schoolmasters—D. J. Tarr, to Victory for M.T.E. (Dec. 28); S. A. Parkin, to Caledonia (Jan. 8).

RETIREMENT.

Cdr.—T. C. Harrison, O.B.E., at own request, with rank of Capt. (Dec. 19).

Cd. Gunner—N. B. Cudd, placed on the Retd. List (Jan. 2).

THE ARMY

COMMAND OF 1ST A.A. GROUP

The War Office announces the following appointments—Colonel R. B. Partridge, to be Commander, 1st Anti-Aircraft Group, with effect from June 3, 1938.

Colonel V. O. Beutler, D.S.O., A.M.I.Mech.E., to be Assistant Director of Supplies and Transport, Southern Command, with effect from May 8, 1938.

Lieutenant-Colonel H. A. C. Gardner, R.A.S.C., to be Assistant Director of Supplies and Transport, Malta, with effect from March 29, 1938.

SENIOR OFFICERS' COURSE.

The following officers will form the course which will begin on January 3 at the Senior Officers' School in Belgium:—

R.A.—Brevet Lieutenant-Colonel R. Hilton, M.C., D.F.C., Majors W. Swinton, M.C., A. A. Middleton, E. W. Goodman, M.C., and J. H. B. Birbeck.

R.E.—Majors C. G. Cardew, B. F. Whitestone, M.B.E., M.C., G. R. Gilpin, M.C., and G. H. E. Lee.

Royal Signals—Major B. G. Rowley.

British Infantry—Major J. A. Daniel, D.S.O., M.C., 2nd Battalion, The Welch Regiment.

Indian Army—Brevet Lieutenant-Colonel F. Buckley, Majors A. F. G. Forbes, M. C. Ballentine, F. C. Ballentine, F. C. Booby, H. R. Dixon-Smith, E. R. Rideley, M.B.E., R. C. McCay, D.S.O., H. R. H. O'Reilly, J. A. McLaren, L. W. McKay Forbes, J. Redding, R. E. F. G. North, C. B. Barlow, A. B. Gibson, H. E. Warry, A. G. I. A. Goddard, O.B.E., R. T. Cameron, S. C. Scott, M.C., C. L. L. Stokes, W. S. Furness, M.C., E. W. Langlands, P. L. MacDermott, D. V. Black, M.C., G. B. I. Nokes, and H. E. Eve, M.C. Burma Rifles—Major R. L. Shaw.

ROYAL AIR FORCE

TRAINING SCHOOL COMMAND

Wing Commander G. E. Livock D.F.C., A.F.C., has taken command of No. 10 Flying Training School at Tern Hill, Salop, in succession to Group Captain C. C. Darley, C.B.E., A.M., under whom the School, one of the six added to the expansion scheme, was opened on January 1, 1936.

Wing Commander Livock was second-in-command of the Far East Flight which 10 years ago made the pioneer flying boat cruise to Singapore, Australia, and Hong Kong, and succeeded to the command when the unit was established at Singapore as No. 203 Squadron.

PERMANENT COMMISSIONS

The following medical officers have been selected for permanent commissions, subject to physical fitness:—

Flight Lieutenants P. A. Cooper, L. M. Crooks, J. R. R. Jenkins, S. R. C. Nelson, W. P. Stamm, and G. H. Stuart.

They were commissioned as flying officers (medical) between January, 1933, and May, 1935.

GROUP CAPTAINS' POSTS

Appointments were notified on Dec. 16 of Group Captain R. H. Kershaw, to command No. 203 (General Reconnaissance) Squadron at Basrah, and of Group Captain J. J. Breen, to be Senior Air Staff Officer of No. 4 (Bomber) Group at Linton, Yorks.

Air Commodore W. B. Callaway, A.F.C., relinquished command of the squadron at Basrah on his promotion in July, and it has since been commanded by Wing Commander F. C. B. Savile.

COMMAND AT HENDON

Wing Commander Vincent Buxton, O.B.E., is appointed in command of Hendon Air Station, in succession to Wing Commander E. I. Russell. During the past two years Wing Commander Buxton has been on personnel staff duties with No. 23 (Training) Group, Grantham.

R.A.F. APPOINTMENTS

The following appointments in the Royal Air Force are notified:—

GENERAL DUTIES BRANCH

Group—R. H. Kershaw, to No. 203 (General Reconnaissance) Squadron Basrah, Iraq, to command (Nov. 30); J. J. Breen, O.B.E., to Headquarters, No. 4 (Bomber) Group, Linton-upon-Ouse, for duty as Senior Air Staff Officer (Nov. 27).

Wing Commanders.—G. E. Livock, D.F.C., A.F.C., to No. 10 Flying Training School, Tern Hill, to command (Nov. 30); V. Buxton, O.B.E., to R.A.F. Station, Hendon, to command (Nov. 22).

Squadron Leaders.—A. D. Rogers, A.F.C., to Headquarters, No. 23 (Training) Group, Grantham, for Personnel Staff duties (Nov. 15); A. McKee, to No. 99 (Bomber) Squadron, Mildenhall, for flying duties (Nov. 3); H. P. G. Leigh, to Headquarters, Fighter Command, Stanmore, for Equipment (Engineer) Staff duties (Oct. 22); J. V. Yonge, to Headquarters, Training Command, for Air Staff (Administrative) duties (Nov. 24); E. J. D. Routh, to Headquarters, Coastal Command, Lee-on-the-Solent, for Administrative duties (Nov. 27); P. MacG. Watt, to No. 49 (Bomber) Squadron, Worthy Down, to command; E. O. Barlow, to Headquarters, Bombardier Command, Uxbridge, for Air Staff (Administrative) duties; G. A. G. Johnston, to No. 11 Flying Training School, Wittering, for flying duties in Advanced Training Squadron (Nov. 22).

HEALTH RETURNS

Five cases of dysentery, two each of cerebro-spinal fever, enteric fever, diphtheria and small-pox and one of cholera were reported to the Health Authorities for the three days ended at midnight on Sunday.

ADMIRALTY PROMOTIONS

Officers On China Station

Officers on the China Station are included in the list of New Year promotions announced by the Admiralty. The promotions are:—

Surgeon Commander to Surgeon Captain—W. H. Murray.

Paymaster Commander to Paymaster Captain—L. N. Simpson M.V.O., C.B.E., C. K. Lloyd, S. H. Drayson, O.B.E. (who was on H.M.S. Medway on his first trip to the China Station).

Paymaster Lieutenant Commander to Paymaster Commander—K. F. Green, A. W. Satterthwaite, R. Q. Pira, W. J. B. Prophet, F. S. Muller, F. C. Crisp (at present secretary to the Chief of Staff, H.M.S. Cumberland).

Major to Brevet Lieutenant Colonel—G. C. Hollis, Captain to Brevet Major—W. I. Nonweiler.

The following promotions have been announced by the Commonwealth Naval Board to date December 31 except where otherwise stated:—

Commander to Captain—J. A. Collins.

Lieutenant Commander to Commander—H. L. Spurgeon, G. Stewart (at present commanding H.M.S. Robin).

Lieutenant Commander (E) to Commander (E)—L. S. Dalton.

Paymaster Lieutenant Commander (D) to Surgeon Commander (D)—J. E. Richards (from January, 1938).

DATE FROM DECEMBER 31.

The following promotions have been made to date from December 31:—

Commander to Captain—F. C. Flynn, I. A. P. MacIntyre, H. H. McWilliams, E. Young-Jameson, C. C. A. Allen, C. Carlow, W. R. Slayter, D.S.O., G. A. B. Hawkins, M.V.O., D.S.O., H. A. Rowley, H. P. J. Onslow, M.V.O., D.S.O., W. J. Stephens, L. S. Saunders, W. J. Agnew, G. Grantham, C. E. Lamb.

Lieutenant Commander to Commander—R. S. V. Armour, J. R. S. Brown, W. C. Jenks, R. Gatto, P. W. Wootton, H. W. S. Browning, J. S. C. Salter, R. J. Gardiner, H.M.S. Mundy, B. Jones, J. H. Huntley, H. R. Graham, D. H. S. Craven, P. B. Tours, J. I. Robinson (Squadron Leader R.A.F.), H. G. Cooke (at present on H.M.S. Capetown), B. J. Fisher, K. Macintosh, W. H. Selby, G. C. Dickens (Squadron Leader R.A.F.), G. B. Sayers, J. W. M. Eaton, A. F. St. G. Orpen, E. K. Le Mesurier, M.V.O., E. W. MacKendrick (Squadron Leader R.A.F.), W. K. R. Cross, W. T. Vendell, W. P. McCarthy (commanding H.M.S. Seawear).

Engineer Commander to Engineer Captain—C. R. Hoare.

Commander (E) to Captain (E)—D. E. G. Sebastian, S. E. Herbert, B. W. Greathed.

Lieutenant Commander (E) to Commander (E)—H. S. Greenlaw, E. F. H. Lawson, K. J. R. Langley, G. L. Ball, F. E. Lefroy, J. B. Rooper, J. B. Newson, N. E. Dalton, M. G. Evans, R. G. H. Johnstone, W. T. Hindson.

Engineer Lieutenant Commander to Engineer Commander—C. D. Wilson.

Governor To Inspect H.K.N.V.F.

His Excellency the Governor, Sir Geoffrey Northcote will make his first inspection of the Hong Kong Naval Volunteer Force in H.M.S. Cornflower, on Tuesday, January 11.

His Excellency will arrive in his launch at 5.45 p.m. and will be met by Commodore E. B. C. Dicken and Cmdr. J. Petrie, Commanding Officer of the H.K.N.V.F. An armed guard will parade in the ship, and His Excellency will inspect all officers and ratings.

H.K.N.V.F. INSTRUCTOR

Cmdr. W. N. Kingston, R.N. (Retired) is due in the Colony on January 6 by the P. and O. liner Chitral to take over the post of first permanent officer-instructor of the Hong Kong Naval Volunteer Force. He will succeed Lieut. Cmdr. R. E. Helbert, R.N., who has been doing the duties of Officer-instructor.

NEW PIER

A "Gazette" notification states that it is proposed to construct a pier approximately 70 feet long by 32 feet wide at North Point in front of the Royal H.K. Yacht Club and between the H.K. Electric Company's works and the A.P.C. installation.

Two additional cross-harbour pipe-lines are also contemplated.

MOTHER ANITA'S FUNERAL

Bishop Valtorta Takes Service

The remains of the late Mother Anita d'Almada e Castro, who died at the Italian Convent at 9.50 p.m. on Sunday at the advanced age of 90, were interred at the Roman Catholic Cemetery yesterday evening after a short service conducted by the Right Rev. Mr. Henry Valtorta, assisted by members of the clergy and the choir of the Cathedral Seminary.

Mother Anita was one of the oldest residents in the Colony, and was a member of a notable Portuguese family. She was the younger of the two daughters of the late Mr. Leonardo d'Almada e Castro, who was in the service of the British Government in Hong Kong and China from 1836 until his death in 1866, and was first cousin of the well-known local solicitors, Messrs. Leo d'Almada e Castro Snr. and F. X. d'Almada e Castro Snr.

The Hon. Mr. Leo d'Almada e Castro Jr., member of the Legislative Council, is a second cousin.

Mother Anita joined the Canossa sisterhood in 1878 when she was 30 years old, and had therefore spent a long life in the service of God.

The funeral, which was of a simple character, was attended by Sisters, boarders and orphans of the Italian Convent and Sisters of the Precious Blood, as well as by immediate members of the family and a few friends. The chief mourners were—Mr. and Mrs. Leo d'Almada e Castro Snr., Mr. Leo d'Almada e Castro Jr., Miss Zita d'Almada e Castro, Mrs. C. d'Almada Gutierrez and Mrs. A. Mowbray Jones.

Others present were Mrs. F. X. d'Almada e Castro, Mr. Frank X. d'Almada e Castro, Mr. C. d'Almada e Castro, Miss Gloria d'Almada e Castro, Mr. and Mrs. P. M. N. da Silva, Mr. H. A. de B. Botelho, Mr. U. Gonella, Mr. A. Vanniria, Mr. O. Accioli, Mr. A. F. B. Silva-Netto, Mr. D. P. Lopes, Mr. A. G. Botelho, Mr. F. Graca, Mr. J. M. Graca, Mrs. A. A. Alves, Mr. J. M. M. Alves and Mr. C. M. S. Alves.

Wreaths were sent by Leonardo, Laura and family, Molly and Baby (London).

TRIBUTE TO FORMER COLLEAGUE

Judge Mossop On Death Of Mr. G. W. King

A warm tribute to the late Mr. Gilbert Walter King, former Assistant Judge of H. M. Supreme Court in Shanghai, was paid here by Judge Sir Allan Mossop, states the "North China Daily News."

Judge Mossop said, "prior to a hearing, that before the court proceeded with the business of the day he would like to say a few words regarding the death of Mr. King."

Recalling that the sad news had come to Shanghai during the holidays, Sir Allan said that he was certain that the members of the bar would share with the judges and staff of the court the great sense of loss which "felt at Mr. King's passing."

Mr. King served as Assistant Judge over a period of 28 years, Sir Allan recalled, adding that during this time he gave a service that was both loyal and faithful, and at the same time endeared himself to many people in Shanghai with whom he came in contact.

Mr. King served as Assistant Judge over a period of 28 years, Sir Allan recalled, adding that during this time he gave a service that was both loyal and faithful, and at the same time endeared himself to many people in Shanghai with whom he came in contact.

Mr. King began his career in Shanghai in 1903 and finally retired to England in 1931, after having been Assistant Judge here for about four years.

Although Admiral Sir Charles Little is now convalescent after his recent attack of pleurisy it is unlikely that he will again assume the position of Commander-in-Chief of the China Squadron pending the arrival of his successor, Vice-Admiral Sir Percy Noble.

Vice-Admiral Noble will leave Marseilles on Saturday by the P. & O. liner Comorin.

Until the arrival of the new Commander-in-Chief, Vice-Admiral L. E. Crabbe will retain temporary command of the China Station. Sir Charles Little will depart for home shortly.

GOVERNMENT TENDER

Tenders are called by the Director of Public Works for repairs to the Causeway Bay typhoon anchorage breakwater, the work consisting re-setting of the piling on the outer face of the breakwater, displaced by the typhoon of September 2 last. The time limit for tenders is noon, January 6.

NEW MEDICAL PRACTITIONERS

Four new members of the medical profession have been admitted to practice in the Colony, according to the "Gazette." They are:—

Dr. Horacio Percy Luis Osoyo, M.B.B.S. (H.K.), Dr. Yang Ka M.B.B.S. (H.K.), Dr. Ooi Kuei-wan, M.B.B.S. (H.K.), and Dr. Chan Pak-chue, M.C.P.S. (Manitoba).



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Mr. G. R. Sayer To Be Director Of Education

Mr. G. R. Sayer, B.A., has been appointed Director of Education in Hong Kong with effect from December 2.

Confirmation of the appointment is contained in yesterday morning's "Government Gazette."

Mr. Sayer has previously been Acting Director of Education. Previous important posts he has held during his 28 years association with the Hong Kong Government include Head of the Sanitary Department (1920, 1928 and 1930), Superintendent of Imports and Exports (1927) and Postmaster General (1923). Mr. Sayer was first appointed Acting Director of Education on March 24, 1934, when he first became associated with that Department.

He arrived in Hong Kong, on January 1, 1911, as a Cadet.

Other appointments gazetted are:—

Major H. H. Joseph, B. A., to be a Member of the Board of Education, as from January 1.

Mr. Frank D. Angus, to be deputy registrar of Births and Deaths, as from January 3.

SIR CHARLES LITTLE CONVALESCENT

Although Admiral Sir Charles Little is now convalescent after his recent attack of pleurisy it is unlikely that he will again assume the position of Commander-in-Chief of the China Squadron pending the arrival of his successor, Vice-Admiral Sir Percy Noble.

Vice-Admiral Noble will leave Marseilles on Saturday by the P. & O. liner Comorin.

Until the arrival of the new Commander-in-Chief, Vice-Admiral L. E. Crabbe will retain temporary command of the China Station. Sir Charles Little will depart for home shortly.

GOVERNMENT TENDER

Tenders are called by the Director of Public Works for repairs to the Causeway Bay typhoon anchorage breakwater, the work consisting re-setting of the piling on the outer face of the breakwater, displaced by the typhoon of September 2 last. The time limit for tenders is noon, January 6.

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Dr. Horacio Percy Luis Osoyo, M.B.B.S. (H.K.), Dr. Yang Ka M.B.B.S. (H.K.), Dr. Ooi Kuei-wan, M.B.B.S. (H.K.), and Dr. Chan Pak-chue, M.C.P.S. (Manitoba).

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OAHU LEAVES FOR SCENE OF PANAY BOMBING

Embassy Officials Return To Fallen Chinese Capital

With a small party of American Embassy officials and some divers on board, the U.S.S. Oahu, sister ship of the ill-fated U.S.S. Panay, sailed for Nanking yesterday morning, bound for the fallen Chinese capital and for the scene of the bombing incident which stirred the world, states the "North China Daily News" of December 29. The Embassy officials, who are to open up the Embassy offices at Nanking, consist of Mr. John M. Allison, Third Secretary, Mr. James Espy, Vice-Consul, and Mr. A. A. McFadyen. Mr. Allison was formerly Consul at Dairen.

The Oahu sailed from her berth alongside the U.S.S. Augusta at about 7 o'clock yesterday morning, and is expected to arrive off Nanking by late this evening. This, however, will depend on circumstances. The level of the river is falling rapidly.

In addition, mine-sweeping operations are still continuing, as it is believed that the river between Woosung and Nanking is still very much alive. Arrangements for the safe conduct of the U.S.S. Oahu were made with the Japanese naval authorities, and she was to pick up a Japanese destroyer, and possibly a mine-sweeper as well, as escort.

The Oahu will stop at Nanking to enable the American Embassy officials to go ashore and open the Embassy buildings, and will then proceed to the scene of the bombing of her sister gunboat. There she will anchor while divers will go down and examine the Panay. It is too early yet to say whether or not she can be salvaged, or whether this possibility is even contemplated.

PEER DUE IN HONG KONG

Lord and Lady Manton are among the passengers due in Hong Kong by the Pan-American Airways' Philippine Clipper, on Wednesday. Lord and Lady Manton are making a leisurely aerial tour of the Pacific.

Lord Manton boarded the Philippine Clipper at Wake Island, where he stayed over from the previous week for some fishing. From Hong Kong, he will probably travel to England by Imperial Airways plane.

POLE-VAULTER JOINS AIR FORCE

Shanghai, Jan. 3: Paul Fu, China's foremost pole-vaulter, is reported to have left Hankow recently for Nanchang to join the air force. Fu, whose mother is Russian, represented China at the Far Eastern Olympic games in Manila in 1934 and the World Olympics in Berlin in 1936.

DEATH

HENRY.—At St. Blasien, Black Forest, on December 31, 1937, Ellen Joyce, Beloved wife of J. E. Henry and younger daughter of Geo. P. Lammert, aged 28 years. (Shanghai papers please copy).

EVANS.—On December 22, 1937, in London, Algernon Monford Adams Evans.

SMITH.—On Sunday, December 20, 1937, at The Country Hospital, Shanghai, Gladys Smith, aged 42 years, widow of the late Mr. L. M. Smith of the Standard Vacuum Oil Company.

Editorial and Business Office: 15-19, Queen's Road Central, Tel. 30251.
Night Editor (Wanchai Office): Tel. 24511.

London Office: 53, Fleet Street E.C.4.

The Daily Press

友之國中

HONG KONG, JANUARY 4, 1938.

IS IT PEACE?

It is quite clear that, whatever they have lost during the past few months, the Japanese still retain the colossal arrogance and conceit which has been such a marked characteristic of their dealings not only with unfortunate China, but with the rest of the civilised world. Flushed by a few superficial victories and the capture of a handful of cities in a country whose vastness is proverbial, General Matsui has the impudence to believe that the Chinese have already been "beaten to their knees," which the Japanese had set out to do. That is the only logical interpretation that can be put to the latest peace terms advanced by Tokyo, which, in essence, are little different from those put forward some weeks back through the German Ambassador, Dr. Oscar Trautmann, who is again acting as mediator.

These are the terms:
1. China's adherence to a pact against communism which is directed against Japan and Manchukuo;
2. Economic agreement, giving Japan participation in the national resources, customs, foreign trade, aviation and other transport and communication of China;
3. Permanent Japanese garrisons in China;
4. Demilitarised zones in regions specified by Japan;
5. An Independent Inner Mongolian Government;
6. Chinese payment of war indemnities.

Acceptance of those terms by Generalissimo Chiang Kai-shek will not merely mean the acknowledgment of defeat. It will mean something far and away more terrible. It will mean the end of China as a free and independent nation. If China agrees to any terms laid down by Japan except such as would free the country of all Japanese aggression and oppression, China will sell her soul and Chinese statesmen of to-day, responsible for such an act, will have to answer to posterity. Then, when future generations of Chinese, crying under the yoke of Japanese oppression, look back upon these present days, they will have but one word on their lips—traitors!

What is the position in China to-day? Has Japan won the war that she dare to lay down terms of peace that will deprive China of every vestige of national honour and prestige? To our way of thinking, the real war for Japan is only just beginning. Japan's troubles are just starting, and Japan is more aware of that fact than is China. In Chekiang, the Chinese armies, most of which are still intact, are regaining much lost ground and many strategic cities have fallen to the advancing forces. In Shantung the Japanese advance has been definitely halted. In Hankow, vast preparations for a prolonged struggle are proceeding apace. The South is straining every nerve to mobilise all manpower and harness all available resources to aid the Central Government. The spirit of the nation burns more luminously to-day than ever before despite the terror of indiscriminate bombing and the slaughter of thousands of civilians. Road communication between China and neighbouring countries is being so rapidly pushed ahead that soon China will have all the war material and implements that

her vast armies need. The moral support of the great democratic powers are behind her. And, above all, China to-day has achieved the priceless heritage of national unity for the first time in her long history.

Is this, we ask in all sincerity, a time to acknowledge defeat? No, a thousand times no! China has morally won the war and there can be no peace save one with honour. Let Japan withdraw every man and every gun from China and return to her every inch of Chinese territory before there can be talk of peace. Otherwise, the spirit of the Chinese masses lying dead in Chinese soil will cry out for vengeance!

THE COST OF LIVING

The rise in the cost of living is the most live domestic political issue of the moment. It is the one that comes closest home to the ordinary man and woman, and it is hardly surprising that both the Liberal and Labour parties should be making it the strong plank in their winter campaigns. Rising prices are, of course, a world-wide phenomenon and an accompanying trend of recovery. It is of little use merely to denounce an economic trend the other side of which is greater activity and employment. But that does not carry us the whole way. It is the Government's duty to try to prevent the rise getting out of bounds and to mitigate its effects on the weakest. The point of the Liberal campaign is that the rise in the cost of living is due in part to unwise Government action. If the Government pursued a more liberal fiscal policy food prices would be less high and the purchasing power of wages would be greater. The Government has itself admitted that the higher cost of food is hitting the unemployed hard; it has permitted the Unemployment Assistance Board to pay out more in allowances. It will soon have to admit that readjustments will have to be made in the benefit scales under unemployment insurance. From those it will, unless it is wholly callous, have to go on to the pensioners, on whom, among the widows and the aged, the worst privation will fall.

The Liberal case is that the simplest way of tackling the problem is not to try painfully to catch up (under pressure of agitation) with the rising prices but to put a check on them by removing some of the artificial stimulants. A reduction of tariffs would be the most rapid corrective. Many of the high prices of foodstuffs can be traced directly to the taxes and quotas that have been put on imports from abroad. Were those reduced the beneficial effect on the consumer would be quickly felt. It is perhaps too much to hope that the Government will see this for itself. Hence the value of the housewives' petition, that the Liberal Organisation is now promoting. The Manchester petition, from which it sprang, was a spontaneous demonstration, and its extension to other parts of the country will be not only a useful piece of political agitation but a valuable service to the rebuilding of Liberalism.

HONG KONG TANKER REFLOATED

"Toorak" Set Free After Days On Reef

It is learned that the Hong Kong-owned oil tanker Toorak, en route from Cebu to Palembang, Sumatra, has been successfully refloated after being aground for over a week on Tambellan Island.

The Toorak was refloated during the high tide on the night of Dec. 31, with the assistance of the Salvage tug Trabador, which was despatched from Manila to assist the tanker.

The Toorak, which is under charter to the Standard-Vacuum Oil Company, is owned by the Standard Transportation Company Ltd., of Hong Kong. She arrived in Far Eastern waters from the United States in mid-December, with a full cargo of oil for Manila. She discharged her cargo at Manila and was proceeding in ballast to the Dutch East Indies when she ran aground on a coral reef.

The ship was never in any danger and Captain J. Grant, the master, and the 36 officers and crew remained aboard.

The Toorak is a three-masted steel tanker classified as 100 A-1 at Lloyd's. She was built in 1927 by Lithgows Ltd., Port Glasgow and is registered here.

H.K. POLICE RESERVE

(Orders by Mr. C. G. Fergus, Acting Inspector General of Police)

CHINESE COMPANY
Strength.—The undermentioned members have been permitted to resign from the Chinese Company, as from December 11, 1937:—

Constables: R13 Tam To Ming, R16 Kwok Chun Shing, R35 Lee Kai Sun, R59 Yim Cheuk Shan, R88 Law Thackman, and R95 Kong Kam Yuen.

Anti-Gas Lectures.—The undermentioned members will report daily at Chinese Company Headquarters at 17.30 hours on Wednesday, Thursday, and Friday, Jan. 5, 6 and 7, 1938 for Anti Gas Course Lectures:—

Constables: R19 J. C. K. Wong, R21 Wong Ping Kwan, R23 Kong Kar Yan, R25 Lee Chee Leung, R32 Yeung Po Kan, R36 Ho Lu Nam, R37 Leung Wing Tseung, R38 Henry Wong, R43 Lau Chiek Kai, and R45 Chu Kwan Yu.

Patrol Duty.—Nightly between 18.00 hours and midnight by members as detailed by the Officer in Charge of Company.

INDIAN COMPANY
Commendation.—Constable R236 M. S. Dillon is commended for zeal and alertness in arresting a Chinese Male on December 21, 1937 who was convicted for Larceny.

Training Course (Part II).—The undermentioned members of the Indian Company will attend Indian Company Headquarters for Part II of Training Course on Tuesday, January 4, 1938 at 17.30 hours:—

Constables: R246 M. Y. Khan, R297 Karam Khan, R211 S. Ans, R215 Feroz Khan, R219 Nur Ahmed, R223 Firdos Khan, R229 M. R. Malik, R230 Mohamed Asghar, R279 Mir Wali Khan, and R221 Hakim Ali.

Patrol Duty.—Nightly between 18.00 hours and midnight by members as detailed by the Officer in Charge of Company.

EMERGENCY UNIT RESERVE
Strength.—The undermentioned members have been taken on the strength of the Emergency Unit Reserve, as from dates shown against them:—

Constable R406 W. J. Priest, Dec. 23, 1937; Constable R400 D. N. Willis, Dec. 23, 1937; and Constable R416 H. R. Webb, Dec. 29, 1937.
Promotions.—The following promotions to date from Dec. 23, 1937 have been approved:—Lance Sgt. R28 J. A. Bendall and R431 G. Frost to the rank of Crown Sergeant.
C. CHAMPKIN,
D.S.P. (R).

Hong Kong, January 3.

FIRING PRACTICE

Warning To Shipping And Aircraft

A warning to shipping and aircraft that firing practice will be carried out from Mount Davis between 8.30 a.m. and 2 p.m. daily from to-day and Thursday, has been issued by the Military Authorities.

The period may be extended to Friday, when firing practice may be carried out between the same hours.

In addition, shipping and aviation have been warned that firing practice will be carried out from D'Agulair on January 11, from 9 a.m. to 2 p.m., or alternatively, at the same times on January 17.

Firing Area "D" will be affected in the Mount Davis practice, and Firing Area "B" in the D'Agulair area.

Shipping, unless exempt from the provisions of the Defences (Firing Areas) Ordinance, is not allowed within the firing area. Masters of exempt shipping are warned to assist in the carrying out of the firing practice by hastening through the Firing Areas affected, or by consenting to be towed out of the Firing Area, if necessary, by any vessel acting under the Military Authorities.



An exciting moment during the hockey match between the Civilians and the Combined Services played at King's Park on Sunday when the former won by three goals to one. (Photo: Cheng Studio).

CHINA REVIEW

China Not Guilty

"If China is driven into the hands of Communists, Japan will be to blame," declared Dr. E. Stanley Jones, internationally-known missionary leader and author, on arrival in Singapore recently after many months in North China during hostilities.

"When Japan started her acts of aggression, Communism was at its lowest ebb in China. Now in her deep despair and helplessness, China may turn to Soviet Russia," he explained.

"I do not think that Japan has been malign in the British Press," said Dr. Stanley Jones. "The facts speak louder than any reports."

"China has her faults, but among them is not the guilt of starting this war," he continued.

Japan's aggression in setting up autonomous States in the north made China lash back when she found herself being devoured piecemeal, he said.

"The so-called 'Incidents' did not start the war," Dr. Jones added.

At Canton, Hankow and Changsha, Dr. Stanley Jones said that he saw the bombing of helpless populations in areas in which there were no military objectives at all.

"After the first air raids, two thirds of the people left Canton in panic, but half of these came back and have recovered their calm, although the air raid signal sounded as often as three times a day," he said.

Never before had Dr. Stanley Jones found people so responsive and eager for a missionary's message. Halls were packed in every town.

Chinese Fortune-Teller

The functions of a Chinese fortune-teller are varied.

First of all, there are many kinds of fortune-tellers in China. Some tell fortunes by calculating the hour, day and year of your birth and their relative influence to and from those of your nearest family members. Some tell the future by arranging eight "golden coins" which actually are old and obsolete cash, each of which has a monetary value of one-tenth of a copper or one-thirtieth of a cent. Some tell fortunes by looking at your appearance. Some tell fortunes by asking the customer to pick out two characters for an analysis, in which they see the "future."

Still another group of fortune-tellers claims to be able to tell futures by feeling your bones. Yet another group offer prophecies by feeling your pulse.

HOSPITALS ARE OVERCROWDED

Government To Help

It was learned from an authoritative source yesterday that the Tung Wah, Eastern and Kwong Wah Hospitals have been overcrowded for some time but with the influx of thousands of additional population, many destitute or undernourished, and with the extra task of looking after even the healthy but poor Chinese refugees thrust upon their shoulders, the directors had to house their charges in corridors and halls. Due to this state of congestion the directors of these institutions have had to appeal to the Government for assistance.

Government has accordingly granted them the use of Lai-chikok Prison, which was vacated by refugees on Christmas Day, and is now hastily being prepared for this new chapter in its varied history.

Already structural alterations are being made but the biggest difficulty will be in finding beds. This, however, is being attended to, it is understood.

Though it is impossible to give an accurate estimate of the increase of population in the Colony since the war started, rough estimates place it at a quarter of a million and this figure does not seem to lessen despite the continuous repatriation of refugees which is going on.

The old Government Civil Hospital has also been used for the past fortnight for putting up large numbers of Chinese who are arriving from Japan and elsewhere and have nowhere to stay during the period of arranging their return by boat or train to their native provinces. Some have no money at all, and may have to stay here. Batches of 50 are daily despatched from the Colony back to China but others continue to take their places and the G.C.H. will be used as a depot for these people until the position eases.

HIS BLUFF WORKED

Story Of The Great War

A remarkable story of how a young Irish subaltern "bluffed" the Germans into surrendering Togoland during the Great War was told recently by Major-General Sir Reginald Hoskins and Lord Davidson. They were speaking at the Ashridge Fellowship reunion at the Bonar Law College, Berkhamsted, states the "Sunday Times."

Sir Reginald said that he and Lord Davidson, in the early days of the war, helped in the handling of code messages at the Colonial Office. One day they received a code message from a young subaltern in the Cameroons who probably, Sir Reginald said, had under his command two men and a boy, announcing that he was going to take Togoland.

Before they could reply another cable arrived. This said that he had made a reconnaissance of the enemy's position and intended to attack. Next morning another message stated that he had attacked and that all was well. "I do not know what his name was," added Sir Reginald, "but I hope that he is a General now."

Lord Davidson, taking up the story, said that this young officer converted his "two men and a boy" into a "stage army." Actually he split his tiny force into little parties, marched them up and down the country, and arranged with natives to run into Kamena and report that there were enemy forces all over the place.

RIFLE BOLTS REMOVED

The result was that the Germans were led to believe that there were 1,500 men instead of "two men and a boy." They were persuaded that a half-company of the West African Frontier Force were the advance party of a great army, and decided that the best thing was to surrender.

The young officer made it a condition that they should pile their arms on the side of the town by which he proposed to approach and that the Germans should retire into the centre of the town. During the night he had the whole of his force practising how to extract the bolts from rifles so as to render the weapons useless.

Next morning he found the arms piled as he had commanded. He and his escort advanced further while the remainder of the force removed the bolts from the rifles.

It is understood that the officer concerned is now Lieut.-Col. F. C. Bryant.

Mr. Henry Alcock, of Cheesey Bank Cottages, Leigh, near Cheshire, Staffs, who claims to be Britain's oldest bell-ringer, celebrated, with Mrs. Alcock, their diamond wedding.

COLLECTIVE SECURITY SYSTEM FOR FAR EAST

Japanese Influence Extends To Eight Provinces

EMERGENCY ECONOMIC MEASURE FOR SOUTH CHINA

Tokyo, January 3.

The views held in Japan on the situation in China are interestingly reflected in an article to-day in the "Miyako Shimbun" which says that Japanese influence now extends to five provinces in North China and three provinces in Central China comprising the most important towns in China such as Peiping, Tientsin, Shanghai and Nanking. The paper expresses the opinion that Japan's new policy will be formulated with a view, firstly, to safeguarding her actual position in East Asia; secondly, fulfilling her world obligations as the standard bearer against Communism; thirdly, successfully discharging her responsibility in connection with the rehabilitation of China.

The "Miyako Shimbun" asserts that the three-point platform will necessarily entail the withdrawal of recognition of Generalissimo Chiang Kai-shek's administration. The paper suggests that the Japanese Government will eventually not deal with Chiang Kai-shek's administration in conducting various undertakings in China though no formal statement of the withdrawal of recognition will be issued. The paper emphasises that a collective security system will be established for the Far East under the anti-Communist banner between Japan, Manchukuo, New China, Siam and other Far Eastern nations and if possible in co-operation with Britain and America while the old Peace Pact and Nine-Power Treaty will be denounced so as to conclude a

new treaty in conformity with the new collective security system.

The "Miyako Shimbun" opines that an emergency economic measure must be taken for Central and South China so as to stabilise Chinese currency. The paper declares that the Japanese Government will take as conscientious a measure as ever for the safeguarding of third party interests and rights in China and all negotiations in the matter will be conducted on the spot for which the paper surmises that Japan's diplomatic staff at Peiping, Shanghai and Nanking will be enlarged and strengthened consequently, the paper argues, Japan's diplomatic staff at Peiping will be especially strengthened.

Reuter.

DICTATORS EXCHANGE GREETINGS

Berlin, Jan. 3.

On the occasion of the New Year, Chancellor Hitler sent the following telegram to Signor Mussolini:—"I pray your Excellency to accept on the occasion of the New Year my heartfelt wishes for your personal welfare and for the further success of your historically so important work."

Mussolini replied:—"I express to your Excellency my hearty and deeply felt thanks for the good wishes which you have so kindly transmitted to me. At the same time I would convey to your Excellency my sincerest wishes for your personal welfare and for the constantly increasing success of your great and brilliant work."

Transocean News Service.

NANKING BOMBED

Chinese Planes Launch Attack

Shanghai, Jan. 3. Nanking to-day was bombed by Chinese planes for the first time since the occupation of the city by the Japanese on December 13, according to a trustworthy report. No details are available but it is believed that Soviet built machines, and possibly flown by Soviet airmen, took part in the raid.

Reuter.

HEAVY CASUALTIES ON TSIENPU LINE

Hankow, Jan. 3: Heavy casualties were suffered by both sides in several bloody engagements between Chinese and Japanese forces at points along the northern section of the Tientsin-Pukow Railway during the last few days, according to military reports received here to-day.

In a single sanguinary battle fought on New Year's Eve, the reports state, the Chinese lost no less than 5,000 killed and wounded, while correspondingly heavy casualties were also suffered by the Japanese.

The various Chinese units operating on the northern Tsinpu line, it is stated, have been instructed to fall back on Tawenkow, Shihshui, and Ningyang, in preparation for a new stand against the invaders.

Central News.

ITALIAN WIRELESS PROPAGANDA

Britain Compelled To Take Action

London, Jan. 3.

The "Daily Telegraph" this morning states that if the Italian wireless propaganda in the Near East does not change its present tone regarding Britain, Britain will be compelled also to comment on domestic conditions in Italy by wireless reports in Italian and Arabic.

In this case Britain would not shun to distribute by wireless all news on economic conditions in Italy in order to counter-balance anti-British propaganda of the Italian Government in regard to stations.

The paper further learns that a wireless service in Spanish and Portuguese destined for South America is under preparation. The Spanish broadcasting will start within a few weeks after the Arabic wireless service which is now beginning.

Transocean News Service.

CHINESE RECAPTURE HANGCHOW

Hankow, Jan. 3. It was reported here this afternoon that Chinese forces have recaptured Hangchow.

Twenty Chinese bombers reconnoitred over Hangchow and the vicinity along the Chientang River and then bombed Japanese positions at Chakow, Chienkiao and Kungshinkiao. Thirty bombs were dropped on military establishments, several direct hits being registered. The Chinese planes returned safely to their base.

International News Agency.

Over Hundred Executions In Soviet Union

Moscow, Jan. 3.

It is officially stated that the number of political executions on New Year's Day in the Soviet Union exceeded one hundred considerably. Among the executions enumerated in the official list were seven in Leningrad, two in Pskov, eight in Archangel, five in Tiflis, eighteen in the Tartar republic. Charges against the accused included conspiracy against the lives of high Soviet officials, embezzlement of public funds, sabotage, and "nationalist separatism."

Transocean News Service.

LANDING PARTY STATUS IS DEFINED

Japan's Spokesman On S.M.C. Administrative Rights

Being "part and parcel" of the Japanese Expeditionary Force in China and "consequently exposed to attack by Chinese in all sorts of ways," the Japanese Special Naval Landing Party in Shanghai feels that it should take "self-defensive measures within the Settlement similar to those taken by troops in occupied areas."

This declaration was made by a Japanese Embassy spokesman in reply to questions regarding the status of the Landing Party as a defence force of the International Settlement. In the light of regulations against acts against the Japanese forces issued by Vice-Admiral Kiyoshi Hasegawa, Commander-in-Chief of the Japanese China Sea Fleet, states the "North China Daily News."

"The Landing Party is a component part of the Japanese forces now engaged in hostilities with Chinese troops," the spokesman stated. "Consequently, it must take similar steps for self-preservation as do other Japanese units."

The Japanese authorities do not deny the jurisdiction of the Shanghai Municipal Council in the Settlement area within the Japanese defence sector, the spokesman emphasised.

RIGHT "FORFEITED"

"The Shanghai Municipal Council, however, forfeited for a time its rights of administration over the eastern Settlement area when the Shanghai Municipal Police took to its heels on orders from their superiors on August 17," the spokesman pointed out.

"As a consequence, the Japanese Naval Landing Party temporarily had to assume the authority that normally was that of the police," he added.

This authority, the spokesman continued, was now being gradually restored to the police.

Questioned regarding the status of the Japanese members of the Shanghai Municipal Police who remained in the eastern area following the orders to withdraw, the spokesman stated that these had remained there "voluntarily as individuals."

The presence of the police was deemed by the Japanese authorities as necessary at that time to maintain "law and order behind the lines."

The wardens of the Ward Road gaol, the spokesman said, could not be regarded in the same category as they were not engaged in police duties.

FOREIGNERS' POSITION

The Japanese authorities claim that the application of Admiral Hasegawa's ten regulations concerning subversive actions against Japanese forces apply to everyone, foreign or otherwise, and anywhere, north or south of the creek—in principle. This was revealed by a Japanese spokesman during questioning related to the bombing incident from the Chekiang Road Bridge. He admitted, however, that the Japanese authorities would proceed "very cautiously" where the application of these regulations to foreigners with extra-territorial rights were concerned.

Asked if the prisoner now held by the police came under these regulations, the spokesman said he did, but that he was now being questioned by the S.M.P. He was not able to say whether any request had been, or would be, made for him to be turned over to the Japanese authorities. In principle, the regulations applied to him.

If an act is committed against a Japanese soldier anywhere else (than in Hongkew) in Shanghai, will the same regulations apply?—Yes, in principle.

ALLEGED CONFESSION

Is it true the prisoner has confessed he took part in the affair and that he is one of a gang with headquarters in Japanese territory, about 90 li from Shanghai?—The facts you state have not been brought to our knowledge by the S.M.P. who are examining the prisoner.

Would the regulations apply to foreigners as well as to Chinese, in principle, throughout Shanghai?—As explained, these regulations will be applied to all persons, but for the administration, the execution of these laws, due regard will be taken in connection with the principles of international law and the stipulations of existing treaties.

In the case of a foreigner being involved in a similar incident, the spokesman said in reply to another question, the case "will be treated very cautiously."

ATTACK ON BIG BUSINESS PROCEEDS

U.S. Attorney-General Wants Reform Of Anti-Trust Legislation

Washington, Jan. 3: Attorney-General Cummings in his annual report recommends Congressional investigation of the Anti-Trust laws, calling the statute in the present form "inadequate for the purpose of dealing with the many ramifications of the problem."

Mr. Cummings also stressed the desirability of expediting the administration of justice in the Federal courts, and advanced two suggestions similar to President Roosevelt's ill-fated court reform programme, namely the appointment of an administrative officer to supervise Federal courts and increased "flexibility" for the courts.

This is similar to President Roosevelt's plan whereby the Chief

SLUMP IN U.S.

Heavy Government Spending

New York, Jan. 3.

Surveying the past year, Mr. Winthrop Aldrich, Chairman of the Chase National Bank, declares that the December business figures suggest that the decline has ceased and the business curve is flattening out. Referring to the rapidity of the decline he states it had been no time for weakening the financial structure or exhaustion of the people's savings which a slow and prolonged decline would have involved.

Mr. Aldrich attributes the slump partly to a heavy Government spending but among the encouraging political developments he mentions the Federal tax revision plans and proposals to balance the budget by economies.

Justice could assign Judges to any district to hear special cases.

Reuter.



Scene during the boys' foot race at the Kowloon Cricket Club annual children's sports held on Saturday afternoon. (Cheng Studio).

YOUR NEW YEAR RESOLUTION!

ALLSOPP'S

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EXISTING CURRENCY DIFFICULTIES

Dr. H. Schacht On Suppression

INTERNATIONAL ECONOMIC RELATIONS

Berlin, Jan. 3.

The President of the Reichsbank, Dr. Hjalmar Schacht, discusses in the January edition of a periodical published by the German Law Academy, the question of whether it is not possible to facilitate international economic relations by suppressing the existing currency difficulties.

Dr. Schacht stresses that the gold currency system which so greatly contributed to raise the standard of life of nations adhering to it was not an invention of capitalism nor was it based on philosophical dogma but was solely a useful technical instrument for regulating international commercial and currency relations.

Within recent years the danger of excessive dependence of national economies alike on each other, and on fluctuating conditions of the world market had rendered it necessary to shift the centre of gravity from international to internal economic activity. This necessity was the basis of the German four-year plan.

Germany wished to develop her internal economic activity in such a manner as to render it possible for improved and increased exchange of goods with other countries.

Dr. Schacht concludes that it remains to be seen whether the international gold standard can in future depend, as in pre-war times on an implicitly accepted gentlemen's agreement or whether definite official pacts will be necessary to enforce.

Transocean News Service.

FRANCE'S DIPLOMATIC REPRESENTATION ABROAD

Paris, Jan. 3.

The question of French diplomatic representation abroad is discussed by the well-known political writer, Vladimir Dornesson in to-day's "Figaro."

The writer remarks that it is often said that the matter is not urgent since relations between France and the United States are excellent. On the other hand, however, the reason given for not having appointed a French Ambassador to Rome for the past fourteen months is that relations between France and Italy have become very difficult.

Dornesson writes that under these circumstances the whole question becomes incomprehensible and concludes by saying that Ambassadors are there to negotiate and that negotiations are always necessary whatever the state of relations between countries may be.

Transocean News Service.

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Further Mechanisation Of British Army EXTENSIVE PLANS DISCLOSED

London, Jan. 3.

New steps for further mechanisation of the British Army has been planned by the Secretary of State for War, Mr. L. Horne-Bellish, and are to be placed in effect as soon as possible, it is reported in the "Daily Herald" this morning. It is intended in the course of the present year to equip half of the infantry battalions with machine-guns instead of rifles. Furthermore, hundreds of fast tanks are to be provided so that military operations can be speeded up and 8,000 horses in the artillery are to be replaced by tractors. The air defence branch of the territorial army is to be equipped with the most modern anti-aircraft guns, searchlights

and detecting apparatus. In commenting on these extensive plans, the "Daily Herald" declares that the Secretary for War intends to mechanise the Army to such an extent that half a dozen men will possess the fighting strength of a whole battalion.

Transocean News Service.

MILITARY MISSION TO PORTUGAL

London, Jan. 3.

The British Military mission to Portugal will leave for Lisbon in the beginning of February, according to the diplomatic correspondent of the "Daily Telegraph." The departure had at first been fixed for the beginning of this month.

Transocean.

STRIKE AGITATION IN FRANCE

Spanish Anarchist Is Named Leader

Paris, Jan. 3.

According to the paper "Matin" foreign agitators are at work organising strikes in Lyons notably in cement factories. The paper asserts that the strike leader is a Spanish anarchist who recently came to France with instructions to use every means to stir up revolutionary agitation among French workers. The vast majority of workers, according to the paper, are opposed to the strike movement and the situation in Lyons is now very strained since the workers are unwilling to obey any longer the requests of foreign agitators.

Transocean News Service.

MARYSE HILSE MISSING

Basra, Jan. 3.

Miss Maryse Hilse, the French aviatrix, who was attempting a record flight from Saigon to Paris, is missing. She was last seen over Jask at 4.15 G.M.T., and has not arrived here yet. Her plane was not fitted with wireless.

Reuter.

GERMAN MEDIATION WILL FAIL

Stiff Japanese Terms

Hankow, Jan. 3.

The consensus of opinion here is that the second German attempt at mediation will most likely fail. It is stated that the Japanese terms are so stiff that even leading Chinese pacifists are against their acceptance. A widely circulated rumour that four Chinese delegates are going to Nanking from Hankow to discuss terms with General Matsui is emphatically denied.

Reuter.

STALIN'S TITLE

London, Jan. 3.

That Stalin is to receive the title of "First Citizen" or "People's Leader in the Soviet Union" within the next few weeks is predicted by the diplomatic correspondent of the "Daily Herald."

Transocean.

VISITING SPAIN

Nine members of Parliament left London to-day for Spain at the invitation of the Spanish Government. They are touring a number of the fronts.

Reuter's Bulletin Service.

REVIVAL SAVED MANCHESTER U. £16,000

Players Who Might Have Gone To Old Trafford

That 4-0 defeat for Manchester United at Bradford nearly spoils this story. But only nearly. The point is that Manchester United's revival (four successive wins and one defeat in five games is revival) has saved the club £16,000.

Seven weeks ago this was the sum United were prepared to spend in an effort to put their forward-line right. Do you remember? There was the attempt to secure the transfer of Jimmy Hampson and Bob Finnan from Blackpool. While that was pending the Old Trafford people made a bid for Billy Richardson, the West Bromwich Albion centre-forward.

The clubs reached agreement, but the player proved unwilling to leave the Midlands.

Manchester United also had difficulties in the matter of the Blackpool deal, but that was hanging fire when the managerial crisis arrived. Mr. Scott Duncan, asked to be released from his contract.

The shock took first place in the minds of the United's directors. While they were giving consideration to the question of releasing their manager, West Bromwich Albion (I believe) said there was a further chance of getting the Richardson transfer through.

Then came that 7-1 win at Chesterfield. The whole appearance of things altered. And that £16,000 which would have put the Manchester United finances back where they were some years ago, was not spent.

From what I know I should say the money will not be spent in anything like the "near future." Manchester United would sign a reserve right-back and a reserve centre-forward. But not at a cost of anything like £16,000.

Hard On The Spotters

Spectators grumble when the referee steps in and stops a game before the expiration of ninety minutes. But what about club officials, not concerned in the game, who are present trying to get a line on the form of certain players? They have a grumble as well.

This happened at the Central League game between Manchester United Reserves and Blackpool Reserves. Present were Mr. Neil Harris, manager of Swansea Town, and Mr. Harry Mansley, chairman of Chester.

Mr. Harris, owing to pressure of business, travelled from Swansea on Friday night. He arrived in Manchester at 2 a.m. Saturday morning.

ALL FOR 10 MINUTES

Mr. Mansley decided against travelling from Chester by car owing to the state of the roads. His train arrived behind schedule and he arrived at Old Trafford after play had commenced.

Ten minutes later darkness enveloped the ground. It was impossible to see the ball from the stands. That didn't suit the two talent-spotters. But they didn't grumble. It's all in the job.

The player being watched, by the way, was Bob Murray, the Manchester United inside-right. He was signed from Hearts during the close season at a fee of £10,000. United, if willing to accept less, may find buyers.

League Football At Fifteen

It was with Bradford that Albert Geldard was introduced to League football at the tender age of 15. He has never heard that this record has been beaten. Now Bradford look like introducing another youthful outside-right but not quite so young as was Geldard when he first appeared in the Park Avenue tri-colours. The name is Keeling. Like Geldard, he is a Bradford local.

It's only a week since this youth celebrated his 17th birthday. More than once already, however, he has been considered for first team duty.

Vic Wright Not For Sale

There was quite a startling look about the big list of players from which Plymouth Argyle suggested sales would be made on application. Argyle, however, may not be quite so intent on mass selling as the list itself suggested.

I happen to know they had an immediate inquiry for Vic Wright, the strong inside forward they bought from Liverpool in the close season. The club who made the inquiry, however, were informed that there was no keeness to sell Vic; that, in fact, they might consider his name deleted from the list.

Blackpool Will Now Sell

The usual aftermath of big signings is happening at Blackpool. There are players to spare at Bloomfield Road following the signing of Willie Buchanan and Frank O'Donnell.

I understand that Blackpool now see their way clear to transfer Tom Jones, the former Burnley inside-left, and may also be persuaded to let another club have Lyon, the former Albion Rovers player. He was signed last season, as an inside forward. Recently he has been figuring as a right-half or outside-right in the reserve team. Huddersfield Town have had a look at Tom Jones.

Meanwhile various clubs are still of the opinion that Bob Finnan, now playing at outside-left for Blackpool, is a good centre-forward.

LEEDS PIPPED BY PORT VALE

Now Hayward Shines For Blackpool

Louis Cardwell is "in dock," but Blackpool have no reason to complain of the service they are getting from Eric Hayward at centre-half.

Hayward is the strapping youth who was brought out by Port Vale, first as a centre-half and latterly as a full-back.

Leeds United came within an ace of beating the Vale for his signature. While Mr. Tom Morgan, the Vale representative, was in the Hayward front room discussing Eric's signature, there was a knock at the outside door and the Leeds-United scout was ushered into the house.

TOO LATE

"Could I see Eric?" he asked. "Certainly," said Eric's father, "but Mr. Morgan is with him at the moment."

"Do you mean Mr. Morgan, of Port Vale?"

"Yes, that's him."

"Then I'm too late," admitted the Leeds man. "Let me congratulate him."

I must hasten to explain, of course, that the present Port Vale secretary-manager had Eric Hayward taped and set for signing before Leeds appeared to be interested.

PALACE SURPRISE

Two Leaders On Offer

One surprise item behind the scenes in recent weeks is a tip sent out by Crystal Palace to other League clubs.

I know there was a raising of eyebrows round the camps when it was learned that the Glaziers were willing to consider bids for the two centre-forwards, Blackman and Palethorpe.

Blackman has been a well-fancied player for a long time, and the Palace haven't gone short of inducements to part with him.

Palethorpe, a man of many clubs, and the centre who wears a cup winner's medal, always has an admirer somewhere. I remember a leading Second Division manager saying to me not long after the start of the season: "We just need someone to put the ball in the net. He needs to be a tip-top man otherwise, we've enough of the clever kind. I'm thinking of going for Jack Palethorpe. He looks just the answer to my need."

Bargain At Bolton

Hot news buzzing around the football circles just now concerns Frank David, a young inside forward on the Bolton Wanderers list. The news is that the Wanderers are willing to transfer this player at a fee which is in reach

LOCAL YACHTING

LADIES' RACE

The U.S. v. Civilian's ladies' race of the Royal Hong Kong Yacht Club was sailed yesterday afternoon and resulted in a win for the U.S. team as follows:—

U.S. TEAM	
Race Started at 14.45	Pts.
A4, Artemis (Miss P. M. King)	13
A5, Eve (Mrs. Hodgkinson)	4
A14, Painted Lady	—
(Mrs. Richards)	9
A10, Redshank (Mrs. D'Arcy Evans)	8
A11, True Blue (Mrs. Pattullo)	5
A16, La Linoia (Mrs. Edwards)	7
Total Points	46

CIVILIAN'S TEAM	
Pts.	
A13, Carpenter (Mrs. McClelland)	Dis.
A2, Nereid II (Miss M. Whitham)	6
A8, Joss (Miss O. Patchett)	3
A9, Gull (Mrs. Adams)	11
A12, Kittiwake (Miss H. Crawhall Wilson)	10
A15, Jean (Mrs. Stanton)	Dis.
Total Points	30

STRANGE!

(From Our Own Correspondent).

London, Dec. 20.

Strange that, Bill Robson, from Stoke City, should play his first game for Burnley against Blackburn Rovers. Strange, because I believe the Rovers were one of the first to inquire of the Pottery how much they would take for the centre-forward when I passed on the hint that Robson might be sold at the back end of last season. At that time the Rovers were anxious to land a leader of Robson's calibre, but apparently Stoke surprised them by their estimate of the centre's worth.

KOWLOON GOLF CLUB

At the Kowloon Golf Club, the "Lancaster" Trophy will be competed for over 36 holes Medal Play, on Sunday, January 8. Starting times are as follows:—

9.20 a.m. J. D. Thomson and S. Jex	9.24 " E. M. Hanlon and A. A. Lopes
9.28 " E. C. Fincher and A. L. Eastman	9.32 " W. Groves and W. J. Woolley
9.36 " E. O. Murphy and F. A. Hill	9.40 " J. F. Smedley and W. Kershaw
9.44 " W. Bastin and W. Taylor	9.48 " T. D. Paton and T. Henderson
9.52 " H. F. Westlake and A. Dennis	9.56 " C. G. Anderson and J. E. R. Humble
10.00 " F. C. Barry and M. A. Cairns	

DECEMBER MEDAL

The December Medal Pool was won jointly by G. Milne and J. F. Smedley who returned net scores of 66.

The New Year Bogeey Pool was won by T. Henderson with a return of 2 down, F. C. Barry being the runner-up with 3 down.

of practically the humblest of League clubs.

The strange thing about this is that less than two years ago Frank was regarded at Bolton as one of the most promising footballers the club had on the staff. He went to Burnden Park as a boy from Preston. Worked in the office. Became a professional when he reached seventeen.

Certain other clubs are, naturally, interested.

Manchester City

"Cast-Off"

Next player to be transferred from Rochdale may be Eric Eastwood, right-half. Eric's form has taken the eye of several people. Manchester City will be interested.

It was the City who started Eric as a professional. Found him with Heywood St. James. Eric spent a season in the City's third team but when May rolled round he wasn't retained.

Crews Alexandra were tipped off and made a signing. They, in turn, released the player on Rochdale to step in. Third club seems to have been lucky.

LONDON LUCK IN CUP DRAW

Lanes. Clubs Up Against It

Pick where you like, there's a feature in every line of the draw for the third round of the cup. First, maybe, is the luck of London. That's becoming something like a tradition. Perhaps it's more an obsession with the provincial folks. Anyway Arsenal, Brentford, Chelsea, Charlton Athletic and Spurs, of London's big shots, all have the comforting knowledge of a home game.

I have missed out Millwall. That's because the Lions deserve a chapter all to themselves. How are Manchester City feeling about January 3? To me it looks an anxious day for Maine Road interests.

I remember very clearly the last time Manchester City were at the Den. It was in the sixth round last season. We saw a rampant Millwall; a well-beaten Manchester City.

An honest opinion from Maine Road now would be that they would far rather go to one of several other grounds than the Millwall one.

The Lions are as good a side now as they were last season. Manchester City are maybe not so good. And Manager Charlie Hewitt has lost none of his ability to inspire his players.

LUCK AGAINST LANCASHIRE

This Millwall-Manchester City game ticks out even with Chelsea and Arsenal due to play against First Division opponents. These opponents are Everton and Bolton Wanderers respectively. Not too cheerful a prospect for the Lancashire pair.

The luck, in fact, went against Lancashire. Only three games for the County Palatine; at Bury, Preston and Old Trafford. Liverpool and Everton are both away. So are Burnley, Blackburn Rovers and Blackpool.

Curious touch about Liverpool, who have never won the cup, is that the man who will be scheming to beat them is none other than Tom Bromlow, now manager of Crystal Palace. Tom was reared by Liverpool, and became one of the greatest (as well as most gentlemanly) players the club ever possessed.

Another curiosity is the appearance of Yeovil and Peters United against Manchester United at Old Trafford. Chance here for the United supporters to see the team which beat Mr. Scott Duncan's new team, Ipswich Town. Odds are against Yeovil, led by Dave Halliday, the former Manchester City centre-forward, beating Scott Duncan's old team.

The game should help the Yeovil finances. In these cases that's a wonderful consolation. Things are different with Scarborough, other non-League who have won through. They have a home game and the visit of Luton Town will not suggest the end of everything to Scarborough minds.

ENGLAND'S RUGBY TEAM

London, Jan. 2. Only 14 of the 15 positions in England's rugby team to play Wales at Cardiff on January 8 were filled by their selectors to-day.

H. D. Frenkel; E. J. Unwin; P. Cranmer; F. S. Nicholson and H. S. Sever; F. J. Reynolds and A. N. Othor; R. J. Longland, H. B. Toft, H. F. Wheatley, A. Wheatley, T. F. Huskisson, W. H. Weston, D. L. K. Milman and R. Bolton. — *Reuter.*

Sporting Fixtures

TO-DAY

Badminton. — Y.M.C.A. Badminton in the West Lounge, 8.30 p.m. Golf. — Entries close for women's section championships. Hockey. — Fleet Lower Deck v. Kumaon Rifles (Marine ground), 4 p.m. Racing. — Entries close for Kwant Meeting.

Rugby. — Triangular Tournament, Army v. Navy (Canton Bay).

TO-MORROW

Football. — City Match, Royal Navy v. Royal Marines R.N.R. Club ground, Canton Bay, 3.45 p.m. Shooting. — Hong Kong Rifle Association, Kowloon Rifle Range, Kowloon, 7 a.m.

A first glance suggests that Sunderland and Middlesbrough will be left to carry the north-east banner into Round Four. Newcastle United are up against something big at West Bromwich. But Watford hardly look the team to prove the old contention that the cup-winners of last season go out first time. The draw against Stockport County, especially in view of the County's 7-1 defeat by Villa, must be good enough news for Middlesbrough.

YORKSHIRE ATTRACTIONS

In the West Riding the available cup-tie fare doesn't look the money-spinning type, but both Huddersfield Town and Leeds United expect to see Round Four. Hull City and Chester, their respective opponents, are strong merchants in their own sphere. That shouldn't mean a thing to the two First Divisioners.

Bradford has two games, hardly top-liners if interesting enough fare. The City went out to York City last time. How will they fare against the brisk Chesterfield eleven? Across at Park Avenue, where gay days have returned for a spell, Newport County take the stage.

Further south in the broad county is stronger fare. What better than a Doncaster-Sheffield United duel at Belle Vue? Only recently the Rovers walloped the Blades in a county cup-tie with first teams on the job. Wednesday's task against Burnley doesn't look easy. The way those Turl Moor forwards are shaping—and they've got a centre-forward now—there will be confidence in the ranks of the visiting supporters.

The Draw

Grimsby T. v. Swindon T.
Doncaster R. v. Sheffield U.
Crystal Palace v. Liverpool.
Brentford v. Fulham.
Chelsea v. Everton.
Derby County v. Stoke City.
Bury v. S. Liverpool of Brighton.
Aldershot v. Nott. County.
Arsenal v. Bolton Wanderers.
Sunderland v. Watford.
Swansea T. v. Wolverhampton W.
Southend United v. Barnsley.
Millwall v. Manchester City.
Tottenham H. v. Blackburn R.
Tranmere R. v. Portsmouth.
Bradford City v. Chesterfield.
Nottingham F. v. Southampton.
Clapton O. or York C. v. Coventry C.
West Bromwich A. v. Newcastle U.
Manchester U. v. Yeovil and Peters.
Leeds United v. Chester.
Charlton A. v. Cardiff C. or Bristol C.
Mansfield T. or Lincoln C. v. Leicester C.
Reading v. Newport County.
Huddersfield T. v. Hull City.
Middlesbrough v. Stockport County.
Sheffield W. v. Burnley.
Birmingham v. Blackpool.
Crewe A. or New Brighton v. Plymouth A.
Norwich City v. Aston Villa.
Preston N. E. v. West Ham U.
Scarborough Town v. Luton Town.

WIN FOR ALL INDIA

Tennison's Team Fail By 93 Runs

Calcutta, Jan. 3. In the third unofficial Test match between All-India and Lord Tennison's touring XI the former won by 93 runs.

Scores:—
All-India 350 and 192 (Langridge 6 for 41, Wellard 4 for 67).
Lord Tennison's XI 257 and 192 (Hardstaff 49, Amar Singh 4 for 76, Markand 4 for 74). — *Reuter.*

HONG KONG HOCKEY

The following will represent the first eleven of the Hong Kong Hockey Club against the Hong Kong Police on the Club ground on Wednesday, January 5, at 5 p.m.:—
V. M. Benwell, R. L. Wallace and E. V. Reed; E. A. Bates, W. A. Reed and J. E. Parker; S. Fowler, T. Whitely, G. E. R. Dwyer, B. I. Bickford and V. Bond.

LEAGUE SOCCER

In the soccer match between the H.K.C.C. second team v. Royal Navy second team, at Navy ground, Kowloon (League match) to-day,

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The Lucky Thirteen Of Bolton!

Thirteen is not regarded as an unlucky number at Bolton. When the rail tickets for a journey are issued out at Burnden Park, Harry Goslin, the right-half, and Walter Kowley, the coach, both try to get one with a number which totals up to 13.

When Walter was a Bolton player he always had Locker No. 13 in the dressing-room. This has now been taken by Dan Winter, the Wanderers' young reserve right-back.

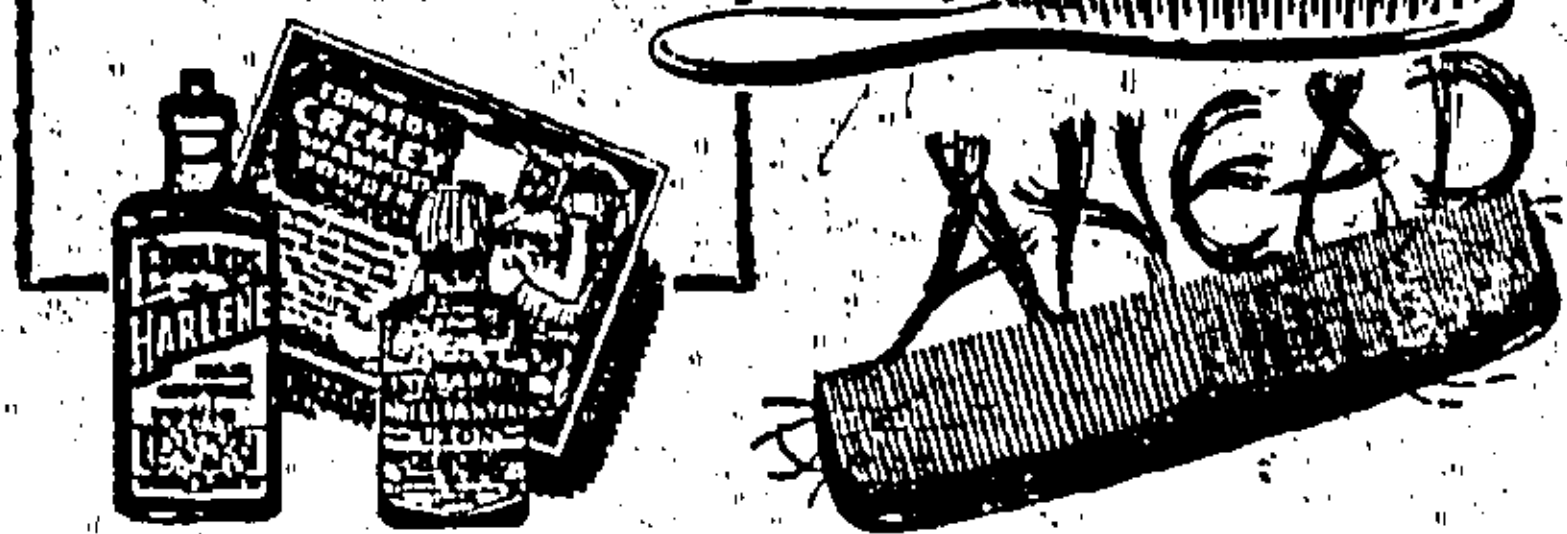
Jack Milson, the centre-forward, lives in a house numbered 13.

It's different at other football grounds. Number thirteen is usually avoided like a plague. They call it 12A instead.

The following will represent Hong Kong C.C.: E. J. R. Mitchell (capt.), N. P. Fox, R. S. W. Paterson, D. H. J. Armstrong, C. W. E. Bishop, D. S. Blake, V. C. Bond, J. H. Fox, S. Robb, W. Stoker, M. R. Swain.

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To comply with the General Bonded Warehouse Regulations, consignees must have a Revenue Officer in attendance when damaged dutiable goods are examined.

All broken, chafed and damaged Goods are to be left in the Godowns, where they will be examined on the 7th Jan., 1938, at 8 a.m., by Messrs. Carmichael & Clarke.

No Fire Insurance has been effected. Bills of Lading will be countersigned by W. R. LOXLEY & Co. (CHINA) LTD. Agents.

Hong Kong, 3rd Jan., 1938. 15868

THIRD UNOFFICIAL TEST MATCH

India May Win

London, Jan. 2.

Lord Tennyson's XI needs to score 244 to win the unofficial cricket Test against All India at Calcutta. The tourists, in the second innings, have eight wickets to fall.

To-day when the match was resumed, the wicket had changed, and rendered some assistance to the bowlers. As a result 14 wickets fell during the day's play for 272 runs.

When the game was resumed, All India was nicely placed, having scored 350 to which the tourists had replied with 216 for eight. The Englishmen lost their last two wickets for an additional 38 runs, the innings closing with All India leading by 93.

Battling a second time, the Indians fared badly against Langridge (6 for 41) and Wellard (4 for 67) and were dismissed for 192, leaving Lord Tennyson's team to score 286 to win. When stumps were drawn, the Englishmen had lost two wickets for 42 runs.

Reuter

VARIOUS WAR GASES EXPLAINED

(Continued from Page 3)

should not be given unless he has stopped breathing. Hot sweet tea will warm and refresh him. This treatment applies for all lung irritants or choking gases.

PHOSGENE

A more modern and deadly gas is phosgene. It again is non-persistent and is a colourless gas at ordinary temperatures, but in the presence of moisture it forms into a thin white cloud. It smells of musty hay and soon starts you off coughing.

It is also a tear gas as well as being a very deadly lung irritant. The action is not so quickly apparent as chlorine but is progressive, which makes it more dangerous, as any exertion taken in this "delay action" period would probably put you out right away.

Both these gases would probably be mixed and released from cylinders.

Another non-persistent gas which I have not mentioned before is Hydrocyanic or Prussic Acid.

This is a colourless liquid smelling of bitter almonds, and is a direct poison to the nervous system; in other words, you become completely paralysed. This might be used in shells, but it is not a very popular gas weapon owing to the danger to personnel in filling the shells and then later the stowage of projectiles filled with prussic acid. A concentration of 1 in 2,000 is very dangerous.

NON-LETHAL GASES

There are also two non-lethal non-persistent gases which are perhaps worth mentioning—Diphenylamine—chlorarsine and Chloroacetophenone.

The first one is a bright yellow solid crystal insoluble in water. When heated, it melts and the vapour condenses into a particulate cloud, i.e. very fine particles of dust. It has an irritating smell and causes coughing, sneezing, vomiting, pain in the nose, throat, chest and gums, and has an immediate action. It would probably be released from generators or floats and requires a concentration of 1 in 8,000,000 to incapacitate in a 2-minute exposure.

The second one is also a solid, but when heated gives off a sweet but irritating tear gas which also to a slight degree irritates the skin. You get a prickly heat feeling on any exposed area of skin, more especially in hot weather. It is quite harmless and by facing the breeze for a minute or so it all clears away.

This is used in all gas chambers for testing the fit of respirators.

The object of these two gases is, as I mentioned before, to prevent you getting your respirator on before a wave of lethal gas is put over.

SEMI-PERSISTENT GAS

There is also a semi-persistent gas known as Chloro-perlin, which is a pale yellow liquid, having a pungent and lachrymatory smell. It is a deadly lung irritant, causing vomiting and weeping with a rapid and progressive effect. It might be used in shells or projectors, i.e. cans thrown out from trenches by a sort of trench mortar.

It is not a popular gas for some reason, and I think as far as present day warfare is concerned the favourites for non-persistent gases are phosgene and chlorine in that order.

That concludes the non-persistent gases and I shall not touch on the persistent ones to-day, that is, Mustard and Lewisite, as they form the subject of the lecture on Monday week.

RECENT TESTS

It may be of interest to quote from a report on experiments recently carried out by the Chemical Defence Committee in England. This has, I know, been published in the "Hong Kong Daily Press" of December 23, but for the benefit of those who did not see it I will give you a short description of these tests.

The first test was a strong gas cloud on an unprotected room. The house selected was a gamekeepers' cottage with three rooms upstairs, sheltered to a large extent by a belt of trees which reduced the strength of wind to about 1/8th.

Over a ton of chlorine was released 20 yards from the house, so that the wind carried it straight to an unprotected room. A very strong gas cloud was thus maintained for 40 minutes, during which time the gas gradually penetrated to the inside. A fire was burning in the hearth the whole time, and the only measures taken to exclude the gas consisted of closing the doors and windows in the usual way.

LOYALS OPEN UP

Beat German Hockey Club

Scoring three goals in the second half, the Loyal Regiment senior hockey team won a friendly match against the German Hockey Club last week at Kwochow Park by a margin of 4-1. The losers played a fine game in the opening period, and held their opponents to a tie of one-all but failed to keep their end up after the resumption.

Several changes were seen in the Loyals' line-up. Among the notable absentees was Captain Cole. However, the soldiers still managed to display their usual prowess and, although they had a rather shaky start, pulled themselves together in such a cohesive manner that the Germans were practically left at a standstill right after the commencement of the second session. Cronin, Byrn, and Hancock showed up most commendably and played a great part in their team's success.

LOYALS.—McDonald, Cowell, Lannock, Lt. Gardner, Cronin, Lt. Smith, Fyatt, Hancock, Byrn, Lt. Pelliban, and Wilcox.

GERMAN.—Tiefenbacher, Astor, Melchers, Drosse, Wetzel, Remmele, Siemssen, Pracht, Rodde, Lemser, and Soenksen.

GERMANS BEGIN WELL

The Loyals made an unsuccessful raid right after the opening bully and were forced to play a defensive game. Pracht was most thrustful in the attack in initiating several fine movements but Soenksen and Lemser were often caught in an off-side position due to over-enthusiasm.

About 15 minutes after the play had started, the Loyals tightened up and soon found the tide turning in their favour. Byrn and Hancock got into stride and began to storm the German citadel. From a short corner Cronin beat Tiefenbacher with a stinging shot to score the initial goal. The pace of the game sped up as a result of the soldiers' tally. Both goalies were kept busy. The Teutons, however, became more aggressive and seemed to be playing with driving determination. Pracht had at least two scoring opportunities, but he failed to utilize them. On one occasion, he overran himself with only McDonald to beat and on the other, he did too much dribbling right in front of the Loyal goal. Lannock robbed him off. In the 30th minute, the same German player tore through the opponents' last line of defence and succeeded in equalizing the score at 1-1 at the time of the rest period.

LOYALS RETALIATE

Following the interval, the Loyals lost no time about getting set. The forwards were seen sweeping down the field with good stickwork in a concerted attack. In one raid, Byrn broke into the German line. Tiefenbacher ran out and collided with the army centre. Hancock recovered the ball and drove into the civilian goal.

With five minutes left to play, Byrn gave the Germans a surprise when he tallied from right on the "25" line. The shot went at a terrific speed and it was lodged into the net before Tiefenbacher had realized the loss. Unsatisfied, Byrn countered again shortly before the final whistle. He made a beautiful solo effort in dribbling past both Astor and Melchers, as if the latter were standing, and put the Loyals up by a decisive score of four-one.

EFFECTS

About seven minutes, it became necessary for them to put on their respirators.

The quantity of chlorine concentrated on the house could only under practical conditions have been obtained by several large gas bombs dropping near to the house, and the period of exposure to the maximum effect of the gas was much longer than would normally be experienced.

Tear gas was used for another experiment, and the cottage was enveloped for an hour in an intense atmosphere caused by spraying the gas into the air 10 yards from the house. Men 200 yards down wind from the house were incapacitated in about 1 minute and in some cases 20 seconds. Men in the house in a room with windows and doors closed lasted 13 minutes without putting on their respirators.

A third experiment was made with arsenical smoke, and the cottage was enveloped in a dense cloud for 20 minutes. Men occupying an unprotected room found the smoke soon penetrated, and when civilian respirators were worn complete protection was obtained.

MORTELL OUTPOINTS ABAYAN

Boxing In Ipoh

In a close ten-round contest at the Jubilee Park arena, Ipoh, recently, Johnny Mortell (7.11) gained a narrow points decision over Little Abayan (7.6). Many of the ringside spectators were of the opinion that a draw might have been given, but I think Mortell just managed to earn the verdict, writes a "Times of Malaya" correspondent.

There were fast exchanges in practically every round. Mortell packed a more solid punch, and, from what I saw, landed more effectively. However, Abayan was very fast. He displayed a sound defence, got out of the corners very cleverly, and his right leads gave Mortell a lot to worry about.

FOUR ROUNDS TO MORTELL

I gave Mortell four rounds, and Abayan three with the rest even. There was little to choose between the men at the end of the ninth round, but Mortell finished up aggressively and, in my opinion, just earned the decision.

Abayan was warned more than once for hitting a bit low. With two-fisted attacks, Mortell repeatedly forced his opponent to the ropes, but Abayan either cleverly guarded himself or slipped away neatly and paid Mortell back in his own coin.

SUPPORTING BOUTS

The other bouts resulted as follows:

Kid Ali (8.4) drew with Louis Kid (8.3) over eight two-minute rounds.

William Dunker (7.7) drew with Abraham (7.11) over six rounds.

Daniel (7.5) outpointed J. Brown (7.2) over six two-minute rounds.

Mr. D. E. Milson refereed the main event and Mr. Yeoh Chai Lal the other bouts. Messrs. H. Scrivenor and J. V. Morris were the judges.

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DAILY SHARE QUOTATIONS

Hong Kong Stock Exchange Sharebrokers' Association

Buyers	Sellers	Size	Nominal	MONDAY, JAN. 3.	Buyers	Sellers	Size	Nominal
Banks								
3,445	288	1445/00		H.K. Banks				\$1,445
				Bo. (London)				287 1/2
				Chartered Bank				219 1/2
				Morant's Bks. "A"				232 1/2
				Do. "O"				216 1/2
				Bank of East Asia				277 1/2
				N. O. & S. Banks				277 1/2
				Insurance				277 1/2
				Canton Insurance				270
				Union Insurance				251 1/2
				Underwriters				21
				H.K. Fire				223 1/2
				International Assoc. S.				223 1/2
				Shipping				223 1/2
				Douglas				248 1/2
				Steamers				253 1/2
				Indo-China (priv.)				251
				Do. (publ.)				251
				Shells				257 1/2
				Waterways				253 1/2
				Mining				253 1/2
				Kailans				253 1/2
				Raubs				253 1/2
				Venezuela Gold Flds.				253 1/2
				Hongkong Mines				253 1/2
				Docks, Wharves, etc.				253 1/2
				Gudown, etc.				253 1/2
				H.K. & W. Wharves				253 1/2
				Provident (old)				253 1/2
				Do. (new)				253 1/2
				H.K. & W. Docks				253 1/2
				Shanghai Docks S.				253 1/2
				New Engineering S.				253 1/2
				Lauds, Hotels, and Buildings				253 1/2
				H.K. Hotels				253 1/2
				H.K. Lands				253 1/2
				Do. 47 Dabentures				253 1/2
				Shanghai Lands S.				253 1/2
				Metropolitan Lands				253 1/2
				H.K. Realities				253 1/2
				China Do				253 1/2
				Do. Dabentures				253 1/2
				Humphreys				253 1/2
				Chinese Estates				253 1/2
				Cotton Mills				253 1/2
				Ewas				253 1/2
				Shai Cottonfield S.				253 1/2
				Do. (new)				253 1/2
				Zooing Sings				253 1/2
				Wing On Tortoise S.				253 1/2
				Ewo Cotton Rta. S.				253 1/2
				Public Utilities				253 1/2
				Tramways				253 1/2
				Peak Tram (old)				253 1/2
				Do. (new)				253 1/2
				Star Ferries				253 1/2
				Yamato Ferries				253 1/2
				China Lights (old)				253 1/2
				Do. (new)				253 1/2
				H.K. Electric				253 1/2
				Alameda do				253 1/2
				Saudan Light				253 1/2
				Telephones (old)				253 1/2
				Do. (new)				253 1/2
				China Buses				253 1/2
				Tractions				253 1/2
				Do. (publ.)				253 1/2
				Industrials				253 1/2
				Canton Toss				253 1/2
				Comonte				253 1/2
				Popes				253 1/2
				Miscellaneous				253 1/2
				Dairy Farms				253 1/2
				Ch. Kaimantse				253 1/2
				Constructions, (old)				253 1/2
				Do. (new)				253 1/2
				Lane Crawford				253 1/2
				Nanyang Tobacco				253 1/2
				Sincere				253 1/2
				Watsco				253 1/2
				S. C. Enterprises				253 1/2
				Gu. G. 27 1926 G. 2 Bds.				253 1/2
				H. K. Govt. 4 1/2 Loans				253 1/2
				Do. 3 1/2				253 1/2
				Wallace Harper				253 1/2
				H.K. Wing On				253 1/2
				Shai Do				253 1/2
				Vibro Piling				253 1/2
				Marmans L. V. (Lon.)				253 1/2
				4 1/2				253 1/2
				Wm. Powells				253 1/2
				70 cts.				253 1/2

LONDON EXCHANGE RATES

(British Wireless Service)

	Dec. 29	Dec. 30
Paris	147-19/64	147-9/32
Geneva	21.612	21.614
Berlin	12.402	12.41
Athens		
Milan	95	95
Copenhagen		
Stockholm		
Shanghai		
New York	4.99-29/32	5.004
Amsterdam	8.98-7/10	8.984
Vienna		
Prague	142-5/16	142 1/2
Madrid		
Lisbon		
Hong Kong		
Bombay		
Montreal	5.00-9/16	4.994
Brussels	29.462	29.47
Yokohama		
Belgrade		
Monte Video	25	
Rio		
Bucharest		
Silver (Forward)	18-7/16	18-9/16
Silver (Spot)	18 1/2	18-7/16
War Loan	3 1/2 10 1/2	3 1/2 10 1/2

Closing Quotations

January 3, 1938.

On New York:	On demand 30/16/16
Bank Bills, on demand	30/16/16
Credit, 60 days' sight	31/16/16
On Batavia:	On demand 25 1/2
On demand	25 1/2
On Paris:	On demand 910
Bank Bills, on demand	910
Credit, 4 months' sight	970
On Batavia:	On demand 80 1/2
On demand	80 1/2
On Manila:	On demand 61 1/2
On demand	61 1/2
On Bangkok:	On demand 149 1/2
On demand	149 1/2
On Hong Kong:	On demand 108 1/2
On demand	108 1/2
On India:	On demand 108 1/2
On demand	108 1/2
On Shanghai:	On demand 108 1/2
On demand	108 1/2

H. K. STOCK EXCHANGE

YESTERDAY'S OFFICIAL QUOTATIONS

The market reopened quietly steady.

BUYERS

H.K. Bank, \$1445.
H.K. (Lon.), 288.
Douglases, 248 1/2.
H.K. Steamboats, \$8.20
Providents (New), 15 cts.
Raubs, \$7.30
H. & S. Hotels, \$5.
H.K. Lands, \$30.
Humphreys, \$8.10.
H.K. Electric, \$504.
H.K. Tramways, \$13.
Star Ferries, \$78
Cements, \$12.30.
Dairy Farms, \$23.
Watsons, \$44.
Entertainments, \$5.20.
Constructions (Old), \$1.
Constructions (New), \$1.
H.K. Govt. 3 1/2 Loan, \$1 1/2 pm
Wallace Harpers, \$31.

SELLERS

H.K. Realities, \$41.
H.K. Mills, 13 cts.
H.K. Tramways, \$134.
H.K. Lands, \$30.40.
Peak Tramways, \$30.
H.K. Electric, \$504.

SALES

H.K. Bank, \$1445/50.
H.K. Tramways, \$13.
Star Ferries, \$78
H.K. Electric, \$504/65.
Wallace Harpers, \$31.

THE EXCHANGE MARKET

MESSRS. ROZA BROS.

Hong Kong, Jan. 3, 1938.

Silver prices rose over the week-end to the extent of 1/2 for Ready and 7/16 for Forward, the quotations being 19 1/16 and 18 7/8 respectively. Silver advances reported some bear covering. Speculators operated both ways. After the official fixing America was inclined to buy but there were no sellers. The market was steady.

The London-New York cross-rate was quoted at 499.73. New York-London was quoted at 499.3/4.

MARKET

Quiet.

There were sellers at 1/3 Jan. March and 1/2 31/32 April, buyers at 1/3 1/32 Cash-March and 1/3 April.

STERLING

There were sellers at 31 1/4 January, 31 3/16 February-March, and 31 1/8 April, buyers at 31 5/16 Cash, 31 1/4 Feb-March and 31 3/16 May.

U.S. DOLLARS

105 3/4 nominal.

SHANGHAI MARKET

The Shanghai Exchange Market was closed to-day.

CURRENCY REMAINS STABLE

Despite the armed conflict in China the currency situation in Shanghai has so far remained unchanged.

According to a Chinese report, the volume of legal tender notes in circulation has decreased to some extent in order to further strengthen the credit of Government banks. Meanwhile, the volume of notes issued by banks other than the Central Bank, the Bank of China and the Bank of Communications remains, more or less, the same.

The standard currency notes are still being circulated in North China without depreciation. According to the yen exchange in Tientsin, one yen is worth over 90 cents of the Chinese standard currency, while the current quotation of the Hong Kong and Shanghai Bank in Shanghai is 2.10150 to 100 in legal tender notes.

The Chamber of Commerce in Shanghai, meanwhile, has written to the Bankers' Association, the Native Bank's Guild and the Guild of Money Exchange Shops asking them to put a stop to the practices of some financial houses to accept Weiwah cheques in exchange for cash. This is done with an eye to profit and is sometimes made, with a commission as high as \$20 for \$1000. It was pointed out that the practice tends to undermine the stability of the currency situation.

NEW YORK STOCK EXCHANGE

(Through Renter's Service)

High	Low	Last	Today's	Change
8.28	8.24	8.25	8.25	.03 up
14.75	14.49	14.73	14.68	.05 off
9	8.94	9.01	9.0	1/8 off
6 1/2	6 1/8	6 1/8	6 1/8	1/8 up
11 1/2	11 1/4	11 1/4	11 1/4	3/8 up
4 1/2	4 1/4	4 1/4	4 1/4	unch.

High	Low	Close	Change
194.49	193.84	194	.71 off
94.48	93.15	94	.08 up
37.4	36.54	37	.08 up
106.89	105.44	106	.08 up
88.44	87.03	88	.41 off

	Dec. 30	31	Stocks	Dec. 30	31
Adams Express	81	84	Great Northern Ry.	214	214
Allis Chalmers	478	474	Great Western Sugar	254	254
Amer. Can	701	704	Holly Sugar Corp.	—	—
Amer. Car & Foundry			Humble Oil	65	65
Amer. Cyanamid	221	224	Int. Nickel	441	444

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OUTWARD SAILINGS

m.v. "KUI MERLAND" for Yama, Nagoya, Kobe, Osaka, 10th Jan.
"TIRPITZ" for Yama, Nagoya, Kobe, Osaka, 14th Jan.
"NORDMARK" for Yama, Nagoya, Kobe, Osaka, 20th Jan.

HOMEWARD SAILINGS

m.v. "ASSUAN" for Mars, Rotterdam, Hamburg, 8th Jan.
"MECKLENBURG" for Mars, Rotterdam, Hamburg, 19th Jan.

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m.v. "TRITON" 25th Jan.

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FAIREY AVIATION

Annual Report

The report for the year ended September 30 of the Fairey Aviation Company, which quite unexpectedly declared recently an increased dividend of 12 1/2 per cent, shows net profits of £248,178 which is more than four times the net profit of the preceding year. The figures, however, are arrived at after an unspecified allowance for depreciation since, as in previous years, the allowance is not disclosed.

The balance-sheet a year ago showed £544,373 in stocks and work in progress, which is now shown substantially lower, at £351,398, against which there is shown rather more than a corresponding expansion in sums due by subsidiaries. Cash balances have risen to £79,985. An amount of £284,667 is available for distribution, out of which a transfer of £35,000 is made to general reserve, making that reserve £140,399, and the provision of £85,500 for taxation compares with £19,000. The dividend of 12 1/2 per cent now recommended will take a sum of £125,344, leaving £38,823 to be carried forward.

The directors report that the profits of two of the subsidiary companies have been included in the accounts to the extent of dividends receivable, and that the profit of the third subsidiary company has been deducted from the debit balance of the profit-and-loss account carried forward by that company.

	1937.	1936.	1935.
Net profit	248,178	60,176	39,112
Brought forward	38,489	33,438	37,200
Available	284,667	93,614	76,312
Provision for taxation	85,500	19,000	23,500
To general reserve	35,000	—	—
Dividend	125,344	38,125	19,375
Dividend per cent	12 1/2	10	5
Carried forward	38,823	39,489	33,438

WAR AFFECTS TRADE

Big Drop Noted

The latest Monthly Bulletin on Statistics issued by the League of Nations, brings out most vividly the disastrous effect of war on international trade and world economy. To the events in the Far East is attributed a drop in the foreign trade of China and Japan.

In terms of gold dollars, China's imports fell from \$21,000,000 in July this year to \$8,000,000 in August, and \$6,000,000 in September and October; while her exports fell from \$15,000,000 in July last to \$7,000,000 in August, \$6,000,000 in September and \$5,000,000 in October.

For Japan, Korea and Formosa, imports fell from \$60,500,000 in July to \$51,000,000 in August, \$44,000,000 in September and \$41,000,000 in October. Exports from Japan also fell, but not to such an extent as to require definite figures.

BAN ON LUXURIES

It may be noted that the decline in the imports to Japan, Korea and Formosa, while partly due to the present Sino-Japanese hostilities, may be regarded as the result of the government ban imposed on certain commodities which are not indispensable to the daily life of the Japanese people. The small decline in the Japanese exports can be easily understood, when it is remembered that the world market for them has not been closed, and that even on the continent a part of the North China market is still maintained intact.

China's case is, however, different. On the one hand, the prosecution of military operations on more than one front on her soil, must necessarily close many of her ports to trade, and reduce the need for ordinary commodities and her purchasing power for others. On the other hand, the disruption of communication facilities from the interior, not to mention the large-scale destruction so evident everywhere, has been responsible for the practical stoppage of trade with the outside world.

UNPROFITABLE WAR

Another point to be noted is that the figures for imports of the two countries may or may not have included the purchases of arms and munitions. If not, these "invisible imports," to borrow an economic expression, must have intensified the unfavourable balance of trade. From the standpoint of foreign trade alone, the Sino-Japanese war has been extremely unprofitable for the two nations concerned. If the

PHILIPPINE MINING NEWS

PARACALE-TIGBI MINING CO., Inc. has recently acquired two groups of manganese property located in Panguranguan and Calumpang, Masbate. The newly acquired property has 50 claims under each group. Marcelano Santo Domingo, treasurer, declared that the corporation will develop the two groups of property under royalty basis. Ernesto Sarangay, a mining engineer will take over the supervision of the work, it was learned.

Mariano Flores, president of the

firm who has just arrived from an inspection trip in the mines reported that an extensive and intensive exploration and development work is going on in the property. He said that more than 30 labourers are carrying on the work in the mines.

PARACALE-TUMBAGAGA MINING Company, Inc., announced that Luis B. Montero, mining engineer, left recently for Mambulao, Camarines Norte, to check up the progress of the diamond drilling work in the mines.

RAYON TRADE IN JAPAN

Overproduction

The steps which the Japanese Ministry of Commerce and Industry is taking to adjust the cotton and the wool textile industries to present war-time conditions have been referred to several times in these notes recently, and it now appears that the rayon industry is receiving its attention.

Rayon seems to require special treatment, and the Japanese Government, as a result of the glut of rayon in the market, is considering, according to Reuters, the advisability of enforcing a system of compulsory mixing of silk and cotton with rayon, and has also resolved to induce rayon producers to scrap their old machines, meanwhile allowing them to curtail production radically. It is not yet known whether the Ministry will introduce regulations similar to those for the compulsory mixing of staple fibre in woollen goods, but it evidently desires to avoid any legislative step and hopes to induce producers to conduct such control voluntarily.

The present position is that there is production curtailment on the one hand and plant expansion on the other. The intention is to induce producers to scrap old and superannuated plants rather than to suspend extension schemes already in hand. In the belief that such an arrangement will conduce to higher efficiency and lower costs of production.

POOR SALES

According to investigations by the Ministry, the stock at Japanese warehouses alone is about 40,000,000lb. If the stock held by Japanese mills and shops is taken into account it is obvious that the total quantity will be enormous. Last summer the stock was less than 16,000,000lb. While it is true that this heavy increase has been caused partly by poor sales both at home and abroad it is also undeniable that the control of production has not been proceeding properly, and so the Ministry has decided to induce the Producers' Association to rationalise its control. According to the plan drafted by the Commerce Department the new average rate of curtailment will be 50 per cent, against the existing rate of a little over 40 per cent. This will be the second highest rate of curtailment enforced in Japanese key industries, the highest being that for the cement industry, 62 per cent. The actual rate of curtailment under the plan for rayon will be 55 per cent at large mills and 53.125 per cent at small mills. If, however, the restriction of newly installed spinnerettes is taken into consideration the average rate will be about 50 per cent. It is expected that this will bring the monthly output down to a little over 20,000,000lb.; the October output was 28,500,000lb.

In Japanese trade quarters it is estimated that assuming that the future monthly output is limited to 21,000,000lb., the supply will be 21,800,000lb., inclusive of cuprammonium yarn, which is not at present controlled. It is estimated that 6,500,000lb. will be consumed in the form of yarn every month and that some 16,000,000lb. will be woven. If so, there will be a draft on the stocks of 700,000lb. a month. Judging, however, by the present position of domestic and export contracts held by weavers, it is doubtful whether the present consumption will be maintained.

loss of life were to be calculated in terms of dollars and cents, the wastefulness of it all will become self-evident. The war is less a test of military strength than a race toward mutual ruin. Perhaps the time may not be far distant when world opinion may yet prevail in favour of peace.

SINGAPORE TO ACQUIRE RARE COLLECTION?

A unique opportunity to acquire for Raffles Museum a valuable collection of old Malayan prints and books, placed recently on the London market, is being seized by the Friends of Singapore, at the suggestion of Mr. Roland Bradell, the vice-president.

The council of the society has decided to open a fund for the purchase of the collection, which is at present at the Museum on approval, and about \$4,000 will be needed for this purpose.

The collection contains over 70 engravings, lithographs, aquatints, original drawings, water-colours, pencil drawings, prints and maps.

There is an account of a Malay village from 1810 and a rare panoramic sketch of Prince of Wales Island from 1821. There is an old engraved map, of the Straits of Singapore with those of Durlon, Saton, and Mandol, dated 1701 and 16 fine water-colour drawings, including the racecourse, the church, court, and Custom House and part of the new harbour of Singapore; also a large coloured lithograph of Singapore from Mount Wallich of 1850.

Fort Marlborough in Sumatra under British rule, the Honourable East India Company's ship Lord Lowther, the Jetty, Fort Cornwallis, Prince of Wales Island, Cape Ricardo, ancient gateway leading to the water at Malacca, are also represented with many other views in the collection.

There are some 20 old books, a number of them by Raffles or of Raffles, with his autograph and personal dedications. There are addresses by him and presentation copies. The collection also includes his History of Java in five volumes inscribed by Edward Lear.

Travel books and manuscripts, a selection of papers relating to Borneo and the proceedings at Sarawak of James Brooke, first Rajah, the adventures of one Reuben Davidge, 17 years captive amongst the Dyaks and many others form part of this valuable collection.

They cover surveys, descriptions, journals, maps and monographs from 1834 up to 1900 and one of the earliest books of the 17th century contains a Malay-English vocabulary.

INTERNATIONAL CURRENCY STABILITY

Berlin, Jan. 2.
Means of restoring international currency stability are treated by Dr. Hjalmar Schacht, German Minister without Portfolio, in a newspaper article, specifying the four necessary conditions involved: debts, raw materials, colonies and economic hostilities.

The time for a lasting organisation of international currency affairs will only come when the spirit of Versailles is overcome politically and economically. This demands a settlement of the question of international debts, better raw material distribution, which for Germany is linked up with the necessity of the return of Germany's colonies, and finally the termination of the general economic war.

Dr. Schacht makes a strong plea for the gold standard, declaring that no matter what the order of world currencies, it will always rest on a gold basis, though whether it will be possible to work on that in the future without binding international agreements is a question which cannot yet be answered.

PRESIDENT LINER

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SEATTLE AND VICTORIA

via Kobe and Yokohama.

S.S. PRESIDENT JACKSON

Sails FRIDAY, January 14th.

MANILA

S.S. PRESIDENT GARFIELD

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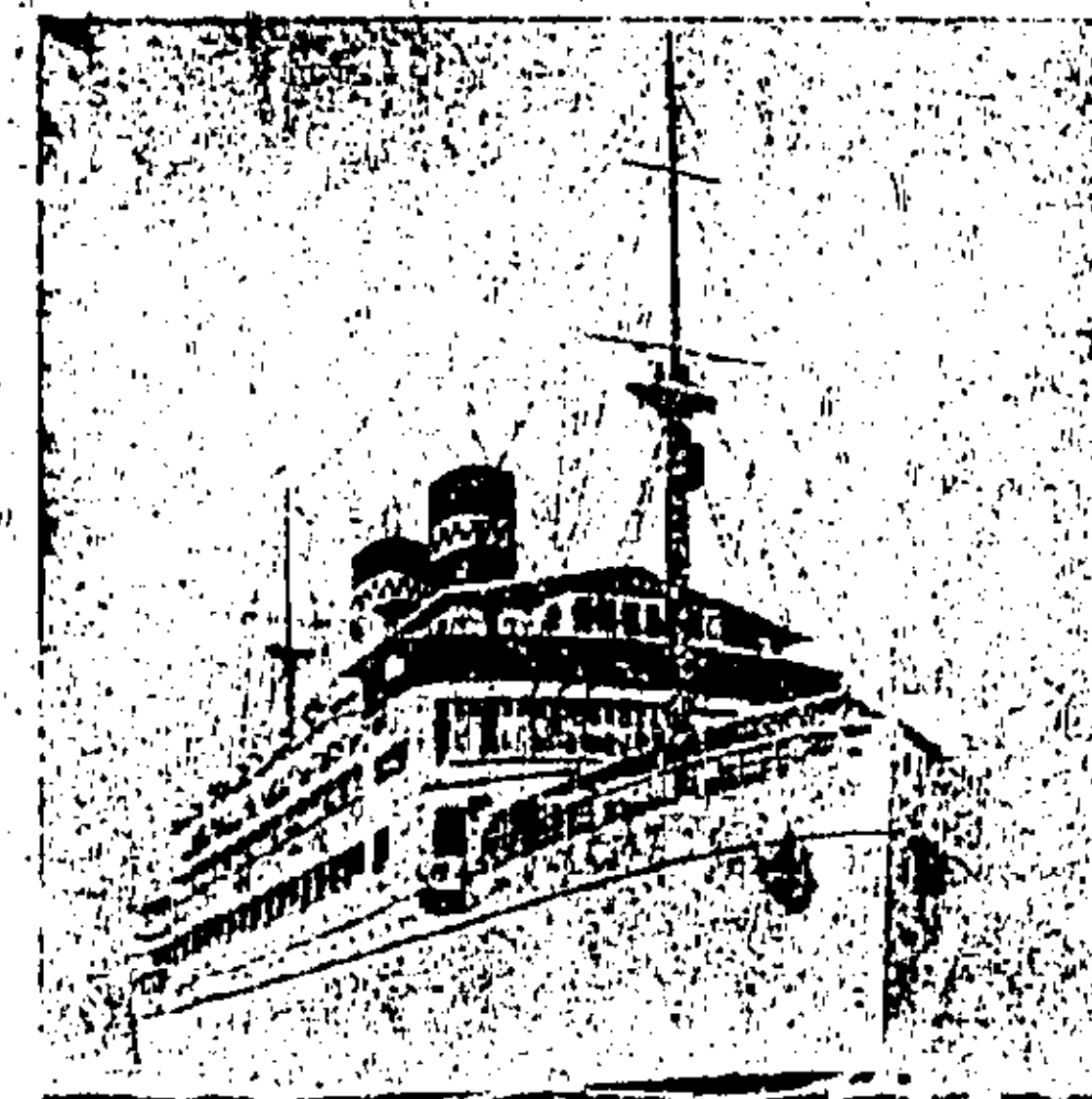
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at 10.45 a.m. on 10th Jan. and will be

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ready for delivery from Godown on and

after 31st Dec.

Optional cargo will not be landed here

unless notice has been given prior to

Steamer's arrival, but carried on from

port to port to the final port of call to

which the cargo is to be delivered.

All broken, baled and damaged goods

are to be left in the Godown, where they

will be examined on any Tuesdays and

Fridays between the hours of 10.45 a.m.

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No claims will be admitted after the

Goods have left the Steamer's Godown, and

all Goods remaining undelivered after the

10th Jan. will be subject to 14th.

All Claims against the Steamer must

be presented to the Underigned on or

before the 24th Jan., or they will not be

recognised.

No fire insurance will be effected.

BUTTERFIELD & SWIRE

3rd Jan., 1938.

CONSIGNEE NOTICE.

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storage at Holy Wharf. The cargo will be

ready for delivery from Godown on and

after 31st Dec.

Optional cargo will not be landed here

unless notice has been given prior to

Steamer's arrival, but carried on from

port to port to the final port of call to

which the cargo is to be delivered.

All broken, baled and damaged goods

are to be left in the Godown, where they

will be examined on any Tuesdays and

Fridays between the hours of 10.45 a.m.

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No claims will be admitted after the

Goods have left the Steamer's Godown, and

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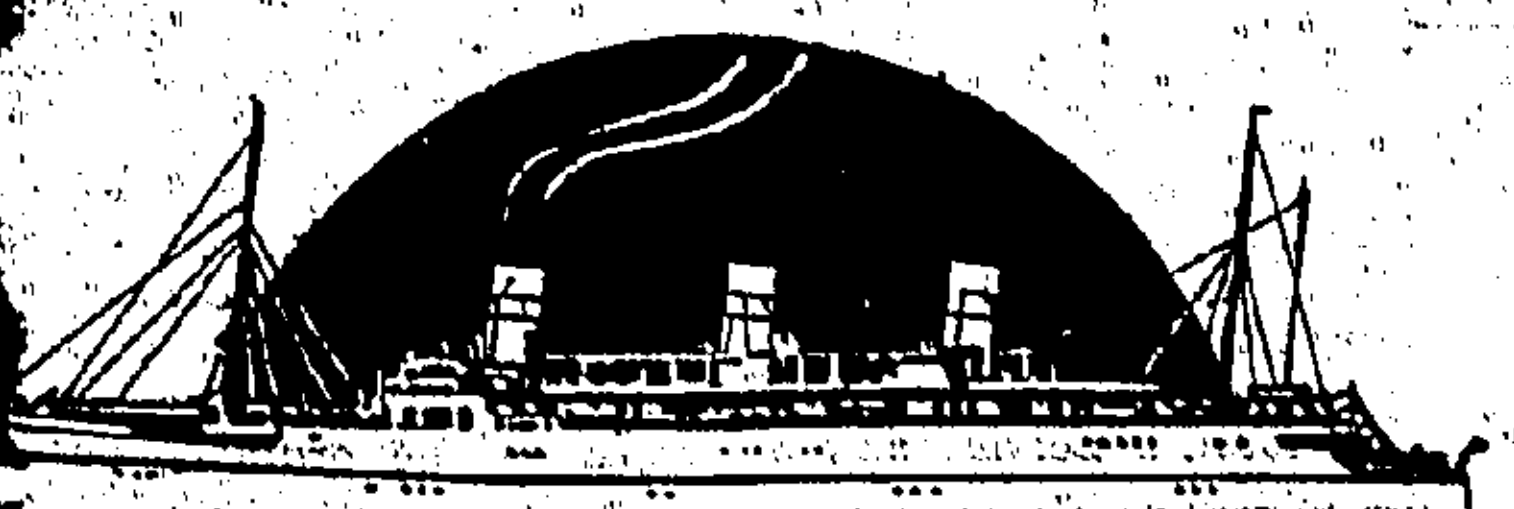
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Hong Kong	...	March 14
Manila, P. I.	March 16	March 17
Batavia, Java	March 21	March 22
Bali, N.E.I.	March 24	March 25
Sydney, Aust.	April 2	April 4
Melbourne	April 6	April 6
Wellington, N.Z.	April 10	April 10
Auckland	April 12	April 13
Suva, Fiji Is.	April 18	April 18
Honolulu, T.H.	April 24	April 25
San Francisco	April 30	May 1
New York	May 2	May 3
Panama Canal	May 10	May 11
Southampton	May 16	May 17

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HEIAN MARU	22nd Jan. 1938
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RAKUYO MARU	13th Jan. 1938
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HAKODATE MARU	10th Jan. 1938
TOYOOKA MARU	27th Jan. 1938

CALCUTTA via Singapore, Penang and Rangoon.

TOTTORI MARU	26th Jan. 1938
NAGATO MARU	4th Feb. 1938

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AGENTS

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SHIPPING DIRECTORY

Adriatic (B. & S.), British steamer, Capt. J. E. Webster, 4,948 tons, arrived Dec. 19 from Manila, general cargo. Berthing at Holt's Wharf.

Alexia (A. P. C.), British steamer, Capt. V. R. Trigg, 4,783 tons, arrived here on December 30 from Shanghai. Lying at Taikeo Dock.

Ashuri (Butterfield & Swire), British str., Capt. W. M. Christie, 3,088 tons, arrived on January 2 from Singapore. Cleared January 3 for Swatow.

Antenor (Butterfield & Swire), British str., Captain Leslie, 6,809 tons, arrived Jan. 2 from Singapore, general cargo. Berthing at Holt's Wharf.

Apoyo (Berg & Co.), British str., Captain C. Boyce, 1,778 tons, arrived Jan. 2 from Chingwangtao, cargo-coal. Lying at Stonecutters.

Atlas Prince (Standard Oil Co.), British str., Captain R. McG. Spencer, 5,143 tons, arrived Dec. 26 from Swatow. Berthing at Standard Oil Wharf.

Bismarck (W. T. Lokey & Co.), British str., Capt. J. Sinclair, 3,751 tons, arrived on January 2 from Singapore. Berthing at Kowloon Wharf.

Bismarck (M. M. & Co.), British str., Captain W. A. J. Walsh, 3,170 tons, arrived December 26 from Singapore. Mooring at buoy No. A3.

Blackheath (Thornes & Co.), British steamer, Captain Reid, 1,438 tons, arrived on December 26 from Portland. Lying at North Point.

Clark Sang (J. M. & Co.), British str., Captain L. McElroy, 1,470 tons, arrived on December 23 from Canton. Mooring at buoy No. A7.

Chongchi (Butterfield & Swire), British str., Captain B. C. Finch, 1,338 tons, arrived on December 7 from Saigon. Lying at Stonecutters.

Chitral (P. & O. B.N. Co.), British str., left Singapore on January 2, and is here on Jan. 6 at about 8 a.m.

Cremer (J. C. J. Line), Dutch str., Capt. H. J. Ahlers, 2,784 tons, arrived Hong Kong January 1 from Swatow. Mooring at buoy No. A12.

Diomed (Butterfield & Swire), British str., Captain H. D. Blomley, 6,554 tons, arrived December 14 from Singapore. Berthing at Holt's Wharf.

Emmy (J. M. & Co.), Greek str., Captain J. Michalitanos, 2,474 tons, Lying at Kowloon Dock.

Empress of Asia (C. P. S.), British steamer, Capt. G. Gould, 6,883 tons, arrived at Vancouver on Dec. 23 at midnight/2 a.m. and leaves Vancouver on January 8 at 11 a.m. She is due at Hong Kong (Berth alongside Kowloon Wharf) on Jan. 27 at 2 a.m. and leaves Kowloon Wharf on Jan. 28 at a.m. after completion of discharge of cargo for Kowloon Dock for annual overhaul.

Empress of Canada (C.P.S.), British str., Capt. W. T. Riley, 12,431 tons, arrived at Yokohama on Dec. 31 at 1 a.m. and leaves Honolulu on January 7 at 10 a.m. She is due at Vancouver on Jan. 12 at 3 p.m. and leaves Vancouver for Hong Kong on Jan. 22 at 11 a.m.

Empress of Japan (C.P.S.), British str., Captain L. Douglas, 15,725 tons, left Vancouver for Hong Kong, via Honolulu and Japan ports on Dec. 25 at a.m. She is due at Hong Kong on January 14 (Friday) in the morning, and due to leave for Manila on the same day in the evening.

Empress of Russia (C. P. S.), British str., Capt. T. F. Patrick, 8,769 tons, arrived December 25 from Vancouver, via Yokohama, Kobe and Nagasaki. Lying at Kowloon Dock.

Eng Lee (Yee Tai Hong), Chinese steamer, Captain T. Merce, 805 tons, Lying at Taikeo Dock.

Feng Lee (Yee Tai Hong), Chinese str., Captain Y. Katsuchi, 1,350 tons, Lying at Kowloon Dock.

Fingal (East Asiatic & Co.), Norwegian str., Capt. Kaltenborn, 1,244 tons, arrived on January 3 from Bangkok. Mooring at buoy No. C1.

Foo Shing (J. M. & Co.), British str., Capt. W. G. Walter, 1,423 tons, arrived December 30 from Shanghai. Mooring at buoy No. B8.

Fushimi Maru (N. Y. K.), Japanese str., Captain S. Kimura, 3,840 tons, arrived on January 3 from Singapore. Cleared on the same day for Kobe.

Gertrude Maersk (Zeheben & Co.), Danish str., Captain A. Jorgensen, 3,155 tons, Lying at Taikeo Dock.

Hai Shang (Doddwell & Co.), Chinese steamer, Captain P. Boet, 2,074 tons, Lying at Stonecutters.

Hai Yu (Doddwell & Co.), Chinese str., Capt. V. Andreassen, 1,983 tons, Lying at Stonecutters.

Hong Sang (J. A. & Co.), British str., Captain T. Wilkinson, 1,350 tons, arrived on January 3 from Canton. Cleared Jan. 3 for Haiphong.

Hong Khong (Ho Thong & Co.), British str., Captain D. R. Hungenberg, 3,575 tons, arrived Dec. 30 from Singapore. Cleared Jan. 3 for Amoy.

Houtman (J. C. J. Line), Dutch steamer, Captain C. Kramers, 3,180 tons, arrived Jan. 1 from Singapore. Cleared January 3 for Shanghai.

Hupei (Butterfield & Swire), British str., Capt. O. B. L. Stringer, 1,628 tons, arrived on December 22 from Tsingtao. Cleared January 3 for Canton.

Jara (East Asiatic & Co.), Danish steamer, Capt. Skjoldum, 5,525 tons, arrived on November 13 from Kobe. Mooring at buoy No. A4.

Kaipoi (Williamson & Co.), British str., Capt. T. B. Robertson, 1,246 tons, arrived Jan. 2 from Port Rodon, coal. Lying at Kowloon Bay.

Kashima Maru (N. Y. K.), Japanese str., Captain K. Fukuda, 8,145 tons, arrived Dec. 30 from Manila, general cargo. Mooring at buoy No. A7.

Kiangnan (Butterfield & Swire), British str., Capt. N. Hardie, 1,546 tons, arrived on January 2 from Haiphong. Mooring at buoy No. B11.

Kishida (Butterfield & Swire), British str., Capt. J. Timson, 1,545 tons, arrived Jan. 3 from Haiphong, gen. cargo. Mooring at buoy No. B15.

Kitano Maru (N.Y.K.), Japanese str., Capt. K. Fukuda, 8,145 tons, arrived Dec. 30 from Manila, general cargo. Mooring at buoy No. A7.

Kwangtung (Butterfield & Swire), British steamer, Capt. J. R. Nisbet, 1,572 tons, arrived January 1 from Canton. Lying at Kowloon Dock.

Luchow (Butterfield & Swire), British str., Captain E. Johnson, 1,221 tons, arrived Dec. 31 from Hongkong, coal. Lying at Stonecutters.

Lyemona (W. Pat Sing), British steamer, Capt. E. Holmes, 1,724 tons, arrived on December 22 from Saigon. Mooring at buoy No. B9.

Mahela (Thornes & Co.), Norwegian str., Captain Thorndell, 840 tons, arrived on December 18 from Bangkok. Mooring at buoy No. B14.

Mus Hook (Chin Song Hong), Norwegian str., Captain P. Filmersten, 1,205 tons, arrived January 2 from Shanghai. Mooring at buoy No. B10.

Nellora (E. & A. S.S. Co.), British str., Capt. J. Scott-Walker, 3,392 tons, arrived Jan. 1 from Manila, gen. cargo. Berthing at Kowloon Wharf.

Ninghai (Butterfield & Swire), British steamer, Capt. I. Nowton, 1,484 tons, arrived on January 1 from Swatow. Cleared January 3 for Fuzhou.

Norika (E. & A. S.S. Co.), Norwegian str., Captain P. Woxholm, 1,778 tons, arrived Dec. 30 from Kama Port, coal. Lying at Kowloon Bay.

Patruelus (Butterfield & Swire), British str., Capt. W. McCune, 1,410 tons, arrived Dec. 30 from Hong Kong from Kobe on Jan. 6 at 4 p.m.

Paula (A. P. C.), Dutch steamer, Captain A. J. Moerman, 1,210 tons, arrived on November 18 from Amoy. Lying at Lait Chi Kok.

Produce (Texas & South), Norwegian steamer, Capt. E. Winnes, 741 tons, arrived on November 14 from Macho. Lying at Stonecutters.

Pronto (Melchers & Co.), Norwegian steamer, Capt. B. Moller, 1,233 tons, arrived Jan. 2 from Dairen, gen. cargo. Lying at Yaumatei.

Queen Adelaide (Doddwell & Co.), British str., Captain C. H. Bedford, 2,093 tons, arrived Dec. 29 from San Pedro. Lying at Junk Bay.

Ryusei Maru (N. Y. K.), Japanese str., Captain U. Suzuki, 4,051 tons, arrived on December 26 from Sakito. Mooring at buoy No. A3.

Sandviken (J. M. & Co.), British str., Captain P. Hesch, 1,778 tons, arrived December 26 from Singapore. Mooring at buoy No. B27.

Santos Maru (O.S.K.), Japanese str., Captain N. Ohno, 4,355 tons, arrived January 2 from Kobe, general cargo. Cleared January 2 for Singapore.

Shanghai (Doddwell & Co.), British str., Capt. R. C. Creer, 1,571 tons, arrived on January 2 from Swatow. Berthing at Douglas Wharf.

Shirata (B.I. & Apear Line), British str., Captain T. B. Badde, 3,672 tons, left Singapore on Dec. 30, and is due here on January 5.

Shun Chih (W. Pat Sing), British steamer, Captain W. Lee, 1,173 tons, arrived on December 15 from Swatow. Mooring at buoy No. C1.

Sinkiang (Butterfield & Swire), British str., Captain Gamble, 1,616 tons, arrived December 31 from Haiphong. Mooring at buoy No. B20.

Skipes (Gibb, Livingston & Co.), British steamer, Captain L. Whitehead, 3,031 tons, arrived here December 21 from Los Angeles, cargo—fuel oil, etc. Lying at Junk Bay.

Steel Navigator (Bank Line), American str., Captain Frank, 3,471 tons, arrived on December 31 from Manila. Lying at Lait Chi Kok.

Suiry (Butterfield & Swire), British str., Capt. L. V. Rowe, 1,594 tons, arrived on January 2 from Fochow. Mooring at buoy No. B9.

Taiwan (Butterfield & Swire), British str., Captain J. E. Clark, 2,109 tons, arrived December 22 from Canton. Lying at Taikeo Dock.

Tak Sang (J.M. & Co.), British str., Capt. W. A. Balch, 1,937 tons, arrived January 3 from Swatow, general cargo. Berthing at West Point Wharf.

Talain (M. M. & Co.), British str., Captain D. R. C. Sinclair, 3,844 tons, Lying at Taikeo Dock.

Tathayus (Butterfield & Swire), British steamer, is expected to arrive here from Kobe on January 5.

Tian (Butterfield & Swire), British str., Capt. Pyralis, 5,737 tons, arrived Dec. 30 from Singapore, general cargo. Mooring at buoy No. A8.

Unita (Doddwell & Co.), Norwegian str., Capt. J. Kramers, 3,315 tons, Lying at Lait Chi Kok.

Vardaa (A. P. C.), Norwegian steamer, Captain F. Larsen, 1,809 tons, Lying at North Point.

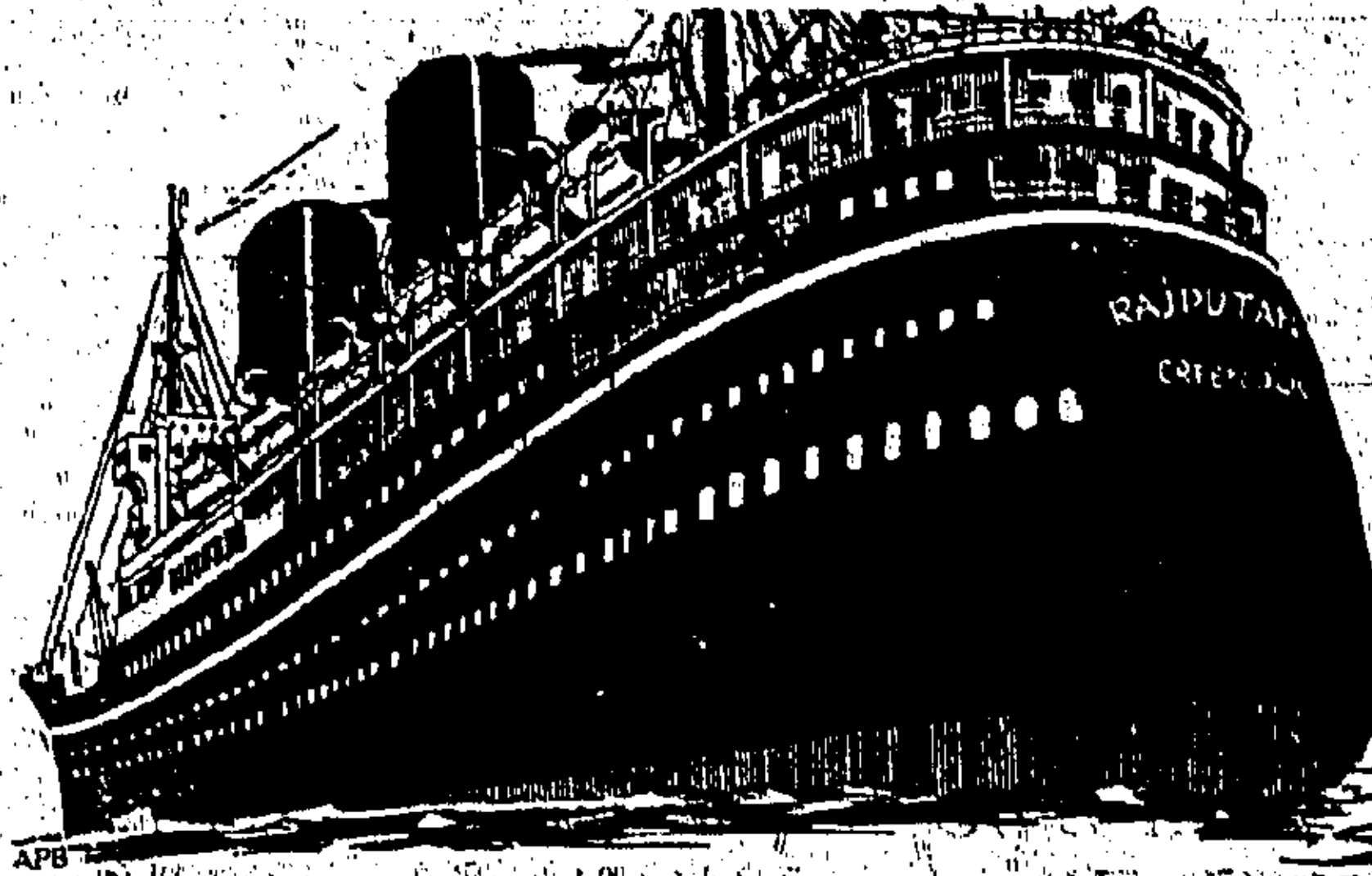
Wing Wah (Tai Fung & Co.), Portuguese str., Capt. J. Teixeira, 651 tons, arrived December 22 from Tourane. Berthing at Saikeo Wharf.

Wing Wo (Tai Fung & Co.), Portuguese str., Capt. I. de Lemos, 498 tons, arrived Jan. 1 from K. C. Wan. Mooring at buoy No. B11.

Ying Chow (B. & S.), British steamer, Captain W. A. Orwin, 1,216 tons, arrived Dec. 26 from Bangkok, general cargo. Cleared January 3 for Swatow.

Yunnan (Butterfield & Swire), British str., Capt. J. G. Smart, 1,632 tons, arrived January 2 from Tsingtao. Mooring at buoy No. B14.

Yusho Maru (M. B. K.), Japanese str., Captain B. Hiazumi, 300 tons, arrived on December 24 from Haiko. Lying at Saiwan Bay.



P.O. BRITISH INDIA-APCAR AND EASTERN & AUSTRALIAN LINES

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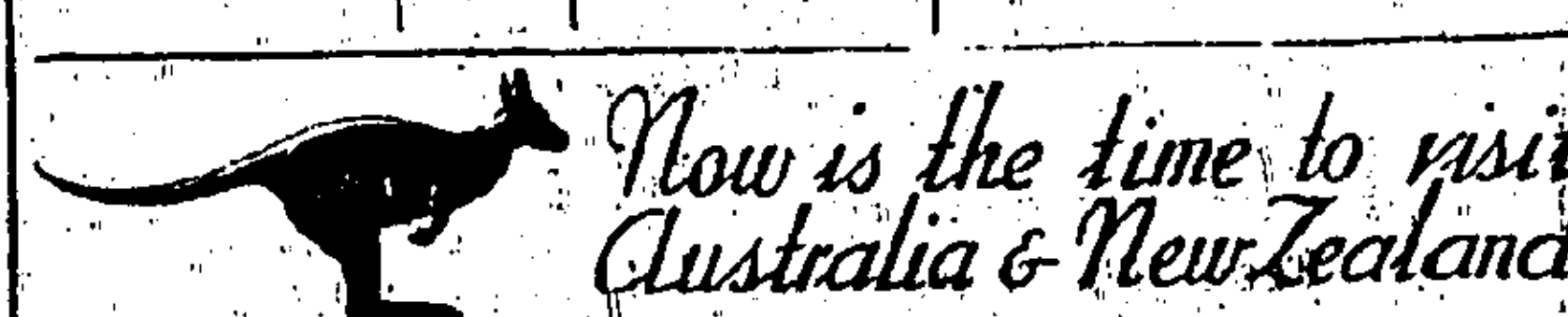
RAWALPIN	17,000	8th Jan.	Bombay, Marseilles and London.
KIDDEBORE	6,000	11th Jan.	Bombay, Karachi & Persian Gulf.
CORFU	14,500	2nd Jan.	Bombay, Marseilles & London.
BURDWAN	9,000	28th Jan.	Bombay, Marseilles & London.
ORITRAL	15,000	8th Feb.	Marseilles & London.
CARTHAGE	11,500	15th Feb.	Marseilles & London.
BOMALI	7,000	26th Feb.	Marseilles & London.
COMORIN	15,000	5th Mar.	Marseilles & London.
KAISAR-I-HIND	11,000	12th Mar.	Marseilles & London.
BANGALORE	9,000	24th Mar.	Marseilles & London.
NALDERA	16,000	2nd April	Marseilles & London.
RANPURA	17,000	16th April	Marseilles & London.

* Cargo only.

All vessels may call at Malta.

BRITISH INDIA-APCAR SAILINGS

SIRDHANA	6,000	15th Jan.	Singapore, Port Swettenham
SHIRADA	8,500	18th Jan.	Penang, Rangoon & Calcutta.
TILAWA	10,000	18th Feb.	
SANTHA	9,000	26th Feb.	
TADMA	10,000	12th Mar.	



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The P. & O. Royal Mail Steamers to London and
The New Zealand Shipping Co.'s Steamers for London via Panama Canal.

EASTERN & AUSTRALIAN SAILINGS

NELLORE	7,000	29th Jan.	Manila, Rabaul, Brisbane
TANDA	7,000	5 Mar.	Sydney, Melbourne & Hobart
NANKIN	7,000	2nd Apr.	

SAILINGS TO SHANGHAI & JAPAN

NELLORE	7,000	6th Jan. 6 a.m.	Shanghai & Japan
SHIRADA	8,500	6th Jan.	Amoy & Japan
CHITRAL	15,000	7th Jan.	Shanghai & Japan
TILAWA	10,000	20th Jan.	Amoy & Japan
CARTHAGE	14,500	18th Feb.	Shanghai & Japan
SANTHA	9,000	2nd Feb.	Amoy & Japan
COMORIN	15,000	4th Feb.	Shanghai & Japan
TANDA	7,000	6th Feb.	Shanghai & Japan
TADMA	10,000	17th Feb.	Amoy & Japan
KAISAR-I-HIND	11,000	18th Feb.	Shanghai & Japan

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ALL DATES are approximate and subject to alteration without notice.

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S.S. "CITY OF EVANOVILLA" ... 12th March.

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S.S. "TINHOW" ... 20th Feb.

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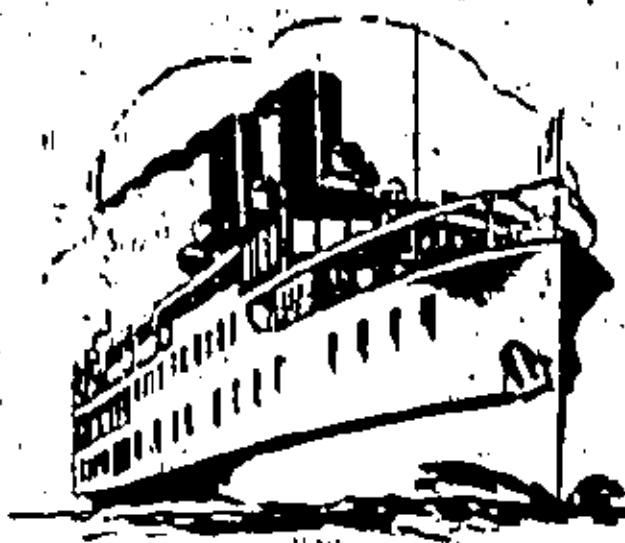
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£18	£13	£11		
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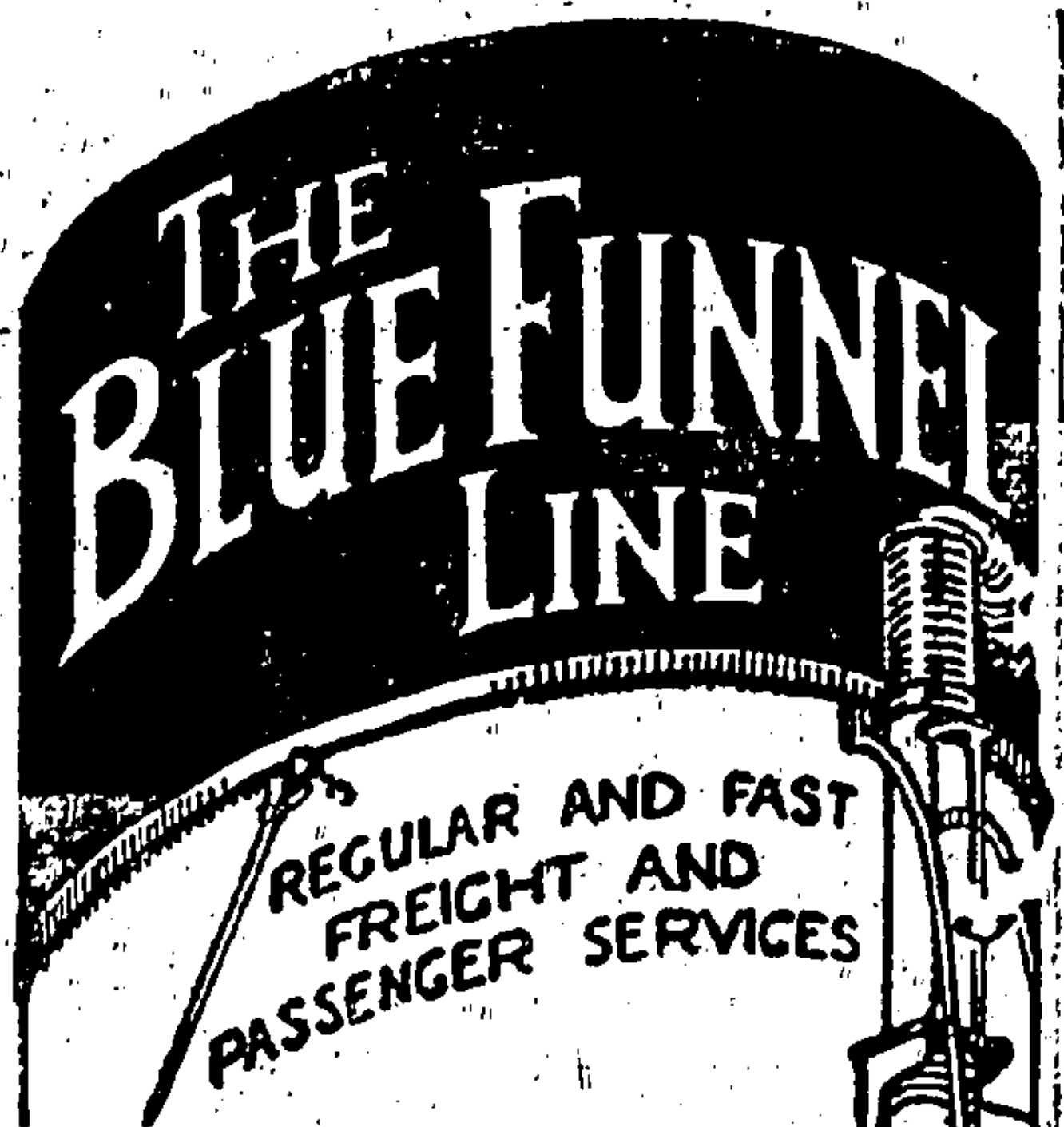
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NEAR RIOT IN CITY

(Continued from Page 1)

found the second defendant pushing the Chinese constable. He then assisted to put the man in a cab.

Another version of the affair was given by Police-Sergeant J. W. Matthews. He said that about 4.35 p.m. he was cycling in Connaught Road in plain clothes when he heard a whistle from the direction of the Star Ferry. He went to the scene and found about two or three hundred Chinese gathered at the corner of Ice House Street. In the middle of the crowd P. C. B262 was struggling with first defendant. He learned from him what the matter was, and took a hand in trying to subdue the man. Second defendant then came up and jumped on B262's shoulder and struck him in the chest.

HOSTILE CROWD

Corporal Wright then came to their assistance, and together with a Chinese traffic constable, they got the men as far as Pedder Street. They became very violent and B262 drew his truncheon and struck first defendant four times on the legs. The crowd was now getting very hostile and it was necessary to put the men in a taxi and take them to Central Police Station. On arrival there Nakashima was very awkward. He refused to leave the cab and had eventually to be pulled out by six Indian policemen.

Asked what he had to say, Fujii remarked they were not of the coolie class. They had wanted to go quietly when they realised they were in the wrong, but the Indian could not understand them. They now wished to apologise for having caused a nuisance.

An independent Chinese witness was then called, who corroborated most of the evidence. Asked by Sub-Inspector W. Arnitt, who was prosecuting, he stated he had volunteered himself as a witness, and had given evidence of his own accord as he was afraid the "Indian gentleman" would be accused of having struck defendants first.

NUMBER OF DRINKS

His Worship fined Nakashima \$5. Regarding the second man he said he supposed it was the result of some sort of New Year celebration.

S. I. Arnitt: Yes, I understand they had been to a boat in the harbour and had had quite a number of drinks.

His Worship: I regard it as very much more serious if a man in any way attempts to resist someone else's arrest. One policeman can usually look after one man but not two. I do not consider there had been any excuse, nor was the language difficulty an excuse. The constable wanted to arrest the first defendant and as far as the rest of them were concerned they should let him take him up to the Station. Fujii was fined \$50.

ATTEMPTS TO LAND IN S. CHINA

(Continued from Page 1)

took place near Tongkawan, an important village on the Macao-Shekki highway.

Shallow mud bats and constant machine-gun fire from Chinese along the coast prevented the Japanese from making a landing, and the invaders ultimately retired in their boats.

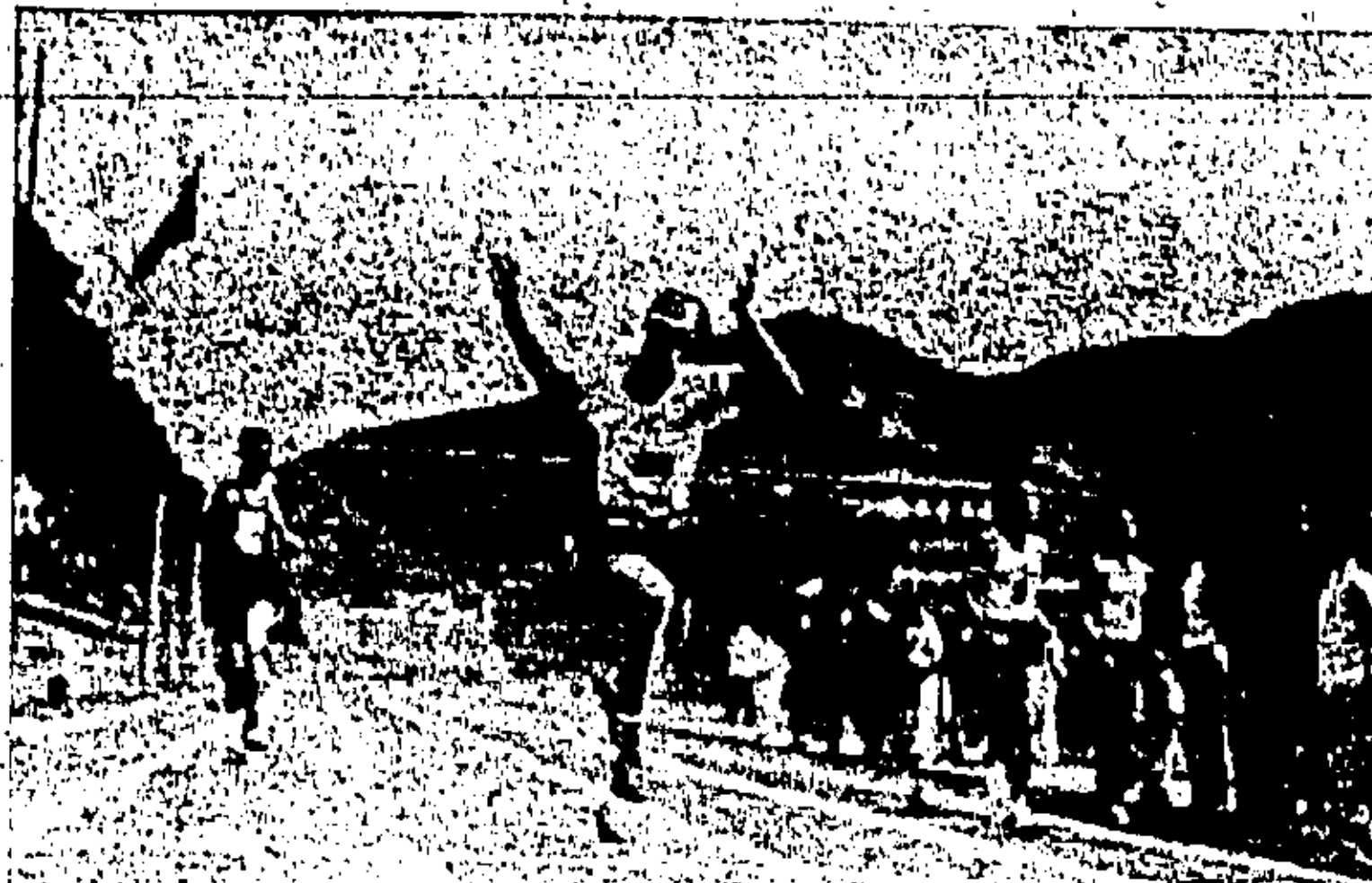
A second raid was made on the afternoon of the same day when a larger force of Japanese approached the Heung Shan coast. After an engagement lasting twenty minutes the Japanese again retired.

AERIAL ACTIVITY

Since the beginning of the New Year, Japanese aerial operations over Kwangtung have been considerably intensified, and almost continuous bombardments have been experienced in the districts through which run the Kowloon-Canton Railway. The Japanese are apparently operating from land bases set up in the Ladrone and San Cho Islands, which they seized some time ago.

Four air raid alarms were given in Canton on New Year's Day, but the city was not attacked. A considerable number of bombs were dropped in the areas north-west and east of the city, and several attempts were made to sever the loop-line connecting the Kowloon-Canton Railway with the Canton-Hankow Railway.

SOUTH CHINA A.A. SPORTS



The above pictures show the finish of two events in the South China Athletic Association annual sports held at Caroline Hill during the week-end. (Photo, Cheng Studio).

'AMBASSADOR AT LARGE'

Sir Robert Vansittart

London, Jan. 3.
The appointment of Sir Robert Vansittart as Chief Diplomatic Adviser to the British Government does not mean that Sir Robert's successor to the post of Permanent Under-Secretary for Foreign Affairs, Sir Alexander Cadogan, will be deprived of his duties as adviser to the Foreign Secretary, Mr. Eden, according to the "News Chronicle" commentator on political affairs, but that Sir Robert Vansittart will now deal with more general questions of British policy and assume many of the public duties which formerly fell to the Foreign Secretary.

The diplomatic correspondent of the "Daily Mail" has named Sir Robert Vansittart England's "Ambassador at large" and predicts that he will spend much of his time travelling. His position compares with that of President Roosevelt's personal adviser and special Ambassador, Mr. Norman Davis. The writer predicts that this appointment marks the beginning of a series of changes in the personnel of the Foreign Office.

Transocean News Service.

MARYSE HILZ

May Have Landed In Iran Mountains

Damascus, Jan. 3.
Air authorities believe that the French airwoman, Maryse Hilz, who is missing was last seen over Iraq at 4.15 a.m., G.M.T., on January 2, and may have been forced to land in the mountains of Iran in which case it is improbable that there will be news of her for several days.

Reuters' Bulletin Service.

MEDALS AWARDED CHINESE AIRMEN

Hankow, January 3: Medals were awarded to Chinese airmen who have won merits in the present Sino-Japanese hostilities at a ceremony held at "a certain place" on the front on New Year's Day with Generalissimo and Madame Chiang Kai-shek, Generals C. J. Chow and P. C. Mao, Commander and Vice-Commander of the Chinese Air Force being present.

Speaking at the ceremony, Generalissimo Chiang paid a high tribute to the Chinese airmen for the part they have played in the war of resistance to Japan and exhorted them to observe discipline, to be responsible and to develop their personality and technique in order to keep the glory they have already won.

After the Generalissimo's speech, medals were given to the Chinese airmen personally by Madame Chiang, who is the Secretary-General of the Commission on Aeronautical Affairs.

Central News.

CHINESE THRUST ON TAIYUANFU

Linfeng, Shanxi, Jan. 3.

The Chinese thrust on Taiyuanfu is making progress, as the column coming up from the south along the Tatum-Puchow Highway has reached Taihu following the Japanese retirement to Houkow, 25 miles south of the provincial capital.

The Chinese right wing has reached Yuchi, which is about 20 miles east of Taiyuanfu, while the left flank has advanced beyond Chingyuan, which is about 25 miles south-west of Taiyuanfu. Commanding the Chinese attacking forces are Generals Wei Li-huan, Fu Tso-yi, Tang En-po and Li Sheng-ta. The Japanese at Taiyuanfu are strengthening the defence on the outskirts of the city.

In north Shanxi, the 8th Route Army is operating between Shan-ying and Kuohsien on the northern section of the Tatum-Puchow Highway. The activities of this army will cut off Japanese at Taiyuanfu with their base at Shichichangwang.

International News Agency.

WEATHER REPORT

HONG KONG ROYAL OBSERVATORY

10 a.m., Jan. 3.

Barometer (at sea level), 30.06 in.

Temperature, 64 F.

Humidity, 89 per cent.

Direction, East.

Wind Force (Beaufort), 6.

Temperature, maximum yesterday, 69 F.

Temperature, minimum last night, 63 F.

Rainfall for 24 hours, ending 10th to-day, nil.

Total rainfall since January 1, 0.01 in.

Against an average of 0.05 in.

Sunset to-night, 5.51 p.m.

Sunrise, to-morrow, 7.04 a.m.

4 p.m., Jan. 3.

Barometer (at sea level), 29.99.

Temperature, 65. Humidity, 82.

Wind Direction, E/N. Wind Force, 4. Maximum temperature, 69. Minimum temperature, 63.

Rainfall, nil.

HONG KONG TIDE TABLE

From January 4 to 10, 1938.

HIGH WATER		LOW WATER	
Day of Week	Time	Day of Week	Time
Tues.	4.15	Wed.	4.15
Wed.	4.15	Thurs.	4.15
Thurs.	4.15	Fri.	4.15
Fri.	4.15	Sat.	4.15
Sat.	4.15	Sun.	4.15
Sun.	4.15	Mon.	4.15

FOREIGN MAILS

Air Mail Service to Shanghai is temporarily suspended.

Ordinary air mail letters for Imperial Airways Direct Service to Europe etc., will, until further notice, be closed at Kowloon Post Office and General Post Office 9.00 a.m. on Sundays. Letters for this Service may be posted in the ordinary post boxes at Kowloon Post Office and General Post Office. They should be clearly marked "By Air Mail" and bear sufficient postage. Insufficiently prepaid letters may be taxed with double deficiency or forwarded by Steamer Service, at the discretion of the Post Office.

The Public are reminded that the postage on Printed Papers, Commercial Papers, Samples and Small Packets must be prepaid. Insufficiently prepaid Printed Papers, etc. are not forwarded.

BROADCAST RECEIVING LICENCES

Holders of licences are reminded that if it is desired to continue to retain possession of the apparatus after the date of expiration of the licence a renewal must be effected with delay.

As from 3rd January 1938 New Licences will be available at the Government Radio Office, G.P.O. Building, First Floor, on ordinary business days, and will be issued against the receipt of a remittance of \$12.00, between the hours of 9 a.m. and 5 p.m. except on Saturdays when licences will be issued between 9 a.m. and 1 p.m.

Applications may be made:—(a) personally (b) by messenger and (c) by post.

It is essential under (c) and preferable under (a) and (b) that applications should be accompanied by crossed cheque payable to Hong Kong Government. The new licence will then be sent by post or messenger as soon as it is ready. Where a cash is tendered a new licence should be received in exchange before leaving the Licensing Office.

In the case of renewal the old licence should be returned with the application.

HONG KONG RADIO TELEGRAPH SERVICE.

XLT Telegrams conveying Christmas and New Year Greetings are accepted by the Radio Office for transmission via Radio during period from 14th December, 1937 to 6th January 1938, both dates inclusive.

(a) The charge for telegrams to places in China will be based on ONE FOURTH of the ordinary rate and to other places ONE THIRD of the ordinary rate.

(b) The minimum charge for all places will be for ten words. Further particulars may be obtained on application at the Radio Office.

INWARD MAILS

From	Per	Days
Air Mail by "Imperial Airways" Direct Service—London date, 25th December 1937.	Imperial Airways Plane	4th Jan.
JAPAN	Arizona Maru	4th Jan.
SHANGHAI	Glasgow	4th Jan.
SHANGHAI and SWATOW	Swatow	4th Jan.
STRAITS	Awake	4th Jan.
JAPAN	Tokyo	4th Jan.
MANILA	Neptunia	4th Jan.
CALCUTTA and STRAITS	Shirata	4th Jan.
SWATOW	Nanning	4th Jan.
JAPAN	Patroclus	4th Jan.
STRAITS and EUROPE via Suez (Letters and Papers) London, 9th Dec. and London Parcel—London date, 2nd December, 1937.	Chitral	4th Jan.
JAPAN	Kulung	4th Jan.
MANILA	Poldam	4th Jan.
SHANGHAI and SWATOW	Kuoyang	4th Jan.
JAVA	Tiendong	4th Jan.
AUSTRALIA and MANILA	Tai Ping	4th Jan.
JAPAN and SHANGHAI	Ranavindri	4th Jan.
SAIGON	Andre Lebon	4th Jan.
Air Mail by "Pan-American Airways" Direct Service—San Francisco date, 29th December	Pan-American Airways Plane	9th Jan.
STRAITS	Conte Biancamano	9th Jan.
CALCUTTA, STRAITS and SAIGON	Neptunia	9th Jan.
STRAITS	Achilles	9th Jan.

OUTWARD MAILS

REGISTERED AND PARCEL MAILS are closed 15 minutes earlier than the time given below unless otherwise stated, and where mails are advertised to close at or before 9 a.m., registered and parcel mails are closed at 8 p.m. on the previous day.

For	Per	DATE and TIME
TUESDAY		Tuesday, 4th
Samshui and Wuchow	Konosu	8.15 AM
Fort Bayard	Wing Wo	1.00 PM
Bangkok	Probus	5.00 PM
Airmail for Chungking by the "C.N.A.C." Airways direct Service.	C.N.A.C. Plane	Kowloon F.O. Reg. 4th 5.00 PM Ord. 4th 6.00 PM G.P.O. Reg. 4th 5.00 PM Ord. 4th 6.00 AM
Air Mail for Sian, Lanchow and Chengtu, etc. (via Hankow) by the "Eurasia Airways Service" (To further points by surface transport as Services permit).	Eurasia Plane	G.P.O. & K.P.O. Reg. 9.00 AM Ord. 9.30 AM 10.00 AM 1.30 PM 2.30 PM 3.00 PM
Kongmoon	On Lee	2.30 PM
Manila, Makassar and Sourabaya	Tiendong	2.30 PM
Straits, Ceylon, India, East and South Africa	Arizona Maru	2.30 PM
Swatow Amoy and Foochow	Santon	2.30 PM
WEDNESDAY		Wednesday 5th
Samshui and Wuchow	Chung On	8.15 AM
Swatow, Foochow and Tientsin	Huyel	8.30 AM
Kongmoon	Fook On	9.30 AM
Deiren	Antenor	9.30 AM
Hoihow	Wing Wah	11.30 PM
Shanghai and Japan	Belloro	5.00 PM
THURSDAY		Thursday 6th
Samshui and Wuchow	Tai Ning	8.15 AM
Shanghai	Shantung	3.30 PM
Amoy	Sochoo	3.30 PM
Airmail for Chungking by the "C.N.A.C." Airways Direct Service.	C.N.A.C. Plane	Kowloon F.O. Reg. 4th 5.00 PM Ord. 4th 6.00 PM G.P.O. Reg. 4th 5.00 PM Ord. 4th 6.00 AM
FRIDAY		Friday 7th
Swatow and Shanghai	Kingyuan	8.30 AM
Japan, Honolulu, U.S.A., Canada, Central South America, and EUROPE via San Francisco—San Francisco, 26th Jan.—and EUROPE via Siberia	Parpa	4.00 PM
	Reg. Coolidge	5.00 PM
	Ord.	5.20 PM

*Subscribed correspondence only.

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